



**The Meeting Transcript of
The Los Angeles County
Board of Supervisors**



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1 [The Board of Supervisors did not meet in
2 closed session Monday, June 20, 2005.]

3

4

5

6 **SUP. MOLINA, CHAIR:** GOOD MORNING. WE'RE GOING TO BEGIN THIS
7 MORNING'S BUDGET MEETING. AND, PROBABLY TO BEGIN WITH, IT
8 WOULD PROBABLY BE EASIER IF WE WANT THROUGH THE ITEMS AS
9 ENUMERATED ON THE BUDGET, I THINK IT WOULD WORK OUT BEST.
10 THERE IS AN ICON ON YOUR COMPUTER THAT WILL-- THAT HAS A-- A
11 BUDGET DELIBERATIONS MAP, IN CASE THE CHANGES ARE THERE AND
12 THEY'LL PUT IT UP THERE FOR US AND TALLY IT FOR US BUT WE'RE
13 NOT THERE YET, SO WHY DON'T WE BEGIN WITH ITEM NUMBER 1.

14

15 **C.A.O. JANSSEN:** OKAY. THANK YOU VERY MUCH, MADAM CHAIR. WE
16 HAVE QUITE A VARIETY OF ITEMS, ACTUALLY, BEFORE YOU TODAY,
17 AFFECTING BOTH THE CURRENT BUDGET, THE PROPOSED BUDGET AND A
18 NUMBER OF REPORTS ON VARIOUS ITEMS THAT HAVE BEEN REFERRED TO
19 DELIBERATIONS. ITEM NUMBER 1 IS AN ADJUSTMENT TO THE CURRENT
20 BUDGET. IT IS A 4-VOTE ITEM.

21

22 **SUP. MOLINA, CHAIR:** ALL RIGHT.

23

24 **C.A.O. JANSSEN:** WE'RE PROPOSING TO TRANSFER 26-- YOU KNOW, WHY
25 DON'T YOU LEAVE THAT OFF FOR NOW AND TURN THE LIGHTS BACK UP.



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1 TRANSFERRING \$26 MILLION OUT OF NON-DEPARTMENTAL ACCOUNTS FOR
2 SALARY PURPOSES. THE 4-VOTE IS NECESSARY TO ADD \$60 MILLION TO
3 THE DESIGNATION. IT WOULD BRING OUR CONTINGENCY, OPERATING
4 CONTINGENCY RESERVE TO \$100 MILLION. WE'VE BEEN AT ABOUT \$40
5 MILLION FOR MANY, MANY YEARS. SO THIS IS AN OPPORTUNITY TO
6 MOVE IT UP TO A HUNDRED, WHICH IS A MUCH MORE COMFORTABLE
7 FIGURE FOR AN OPERATING RESERVE. MOVING \$40 MILLION OUT OF
8 P.F.U. FOR THE INTEROPERABILITY PROJECT, WHICH IS A SHERIFF,
9 FIRE, A COUNTY POLICE INITIATIVE I.S.D. TO ALLOW ALL THE
10 SYSTEMS IN THE COUNTY TO BE ABLE TO COMMUNICATE TOGETHER
11 THROUGH A PATCH SYSTEM UNTIL WE CAN DEVELOP A NEW PLATFORM
12 COUNTYWIDE AND THEN TECHNICAL CORRECTIONS IN THE HEALTH
13 DEPARTMENT. SO I WOULD ASK THAT YOU APPROVE ITEM 1 TO THE
14 CURRENT BUDGET.

15
16 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT ITEM IS BEFORE US. MOVED
17 BY SUPERVISOR KNABE, SECONDED BY SUPERVISOR BURKE. ANY
18 QUESTION OR COMMENT? IF THERE'S NO OBJECTION, SO ORDERED ON
19 ITEM NUMBER 1.

20
21 **C.A.O. JANSSEN:** ITEM NUMBER 2 IS THE COMPLETION OF THE
22 DEFEASANCE OF THE MARINA BONDS. IN THE EARLY '90S, THE BOARD
23 ISSUED \$189.495 MILLION WORTH OF BONDS BASED ON A REPAYMENT
24 REVENUE STREAM FROM THE MARINA. IN APRIL, YOU'VE AUTHORIZED US
25 TO DEFEASE \$25.7 MILLION OF THE BONDS. THIS ACTION WOULD



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1 AUTHORIZE THE COMPLETION OF THAT DEFEASANCE ANOTHER \$16.2
2 MILLION. WHAT THIS ACTION DOES, OTHER THAN OBVIOUSLY PAYING
3 OFF THE BONDS, WHICH IS ALWAYS POSITIVE, IS TO ALLOW A \$20
4 MILLION REVENUE STREAM TO BE INCLUDED IN THE PROPOSED BUDGET
5 ONGOING MONEYS AND, OF THAT \$20 MILLION IN ITEM 8, WE'RE
6 PROPOSING \$2 MILLION GO INTO THE MARINA FOR MARINA BEACHES,
7 A.C.O. FUND, ONGOING FUND, RATHER THAN A ONE-TIME EXPENDITURE
8 AND THE OTHER 18 MILLION WILL GO INTO THE GENERAL FUND
9 APPROPRIATIONS AS PROPOSED IN ITEM 8. SO I RECOMMEND THAT YOU
10 APPROVE ITEM 2.

11

12 **SUP. KNABE:** MOVE IT.

13

14 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT ITEM IS MOVED BY
15 SUPERVISOR KNABE, SECONDED BY SUPERVISOR BURKE. IS THERE ANY
16 QUESTION OR COMMENT? IF NOT, SO ORDERED ON ITEM NUMBER 2.

17

18 **C.A.O. JANSSEN:** ALL RIGHT. ITEM NUMBER 3. I'M JUST GOING TO DO
19 A VERBAL UPDATE. I DON'T HAVE ANYTHING IN WRITING ON ITEM
20 NUMBER 3. TALK A LITTLE BIT ABOUT WHERE THE STATE IS IN THEIR
21 BUDGET PROCESS AND INDICATE ONE MORE TIME, AND I DO IT EVERY
22 OPPORTUNITY I CAN GET, INCLUDING MEETING-- A MEETING THAT I
23 HAD WITH OTHER PEOPLE AND THE GOVERNOR, PROPOSITION 1-A HAS
24 CHANGED THE WORLD FOR LOCAL GOVERNMENT FINANCE WHEN IT WAS
25 APPROVED BY THE VOTERS OVER 82% IN NOVEMBER. IT PROTECTS LOCAL



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1 REVENUES AND IT ALLOWS US AND ALLOWS YOU TO MAKE, REALLY, FOR
2 THE FIRST TIME IN MANY, MANY YEARS, DECISIONS ABOUT WHERE YOUR
3 LOCAL DOLLARS ARE GOING TO BE SPENT. AND THIS BUDGET, I THINK,
4 REFLECTS, BOTH IN THE PROPOSED AND ALSO IN THE CHANGE LETTER,
5 YOUR PRIORITY RELATED TO PUBLIC SAFETY PROJECTS. SO ALL OF--
6 EVERYTHING WE DO NOW IS IN LIGHT OF THE PROTECTION THAT WE
7 HAVE FROM THE STATE TAKING OUR MONEY FOR SOLVING ITS OWN
8 PROBLEMS. WITH RESPECT TO THE STATE, THE CONFERENCE COMMITTEE
9 DID PRODUCE A BUDGET LAST WEEK ON TIME, ON SCHEDULE. IT WAS--
10 DID NOT RECEIVE THE TWO-THIRDS VOTE NEEDED. THEY'RE MEETING
11 AGAIN TODAY TO TRY TO COMPLETE THE DELIBERATIONS. THERE IS AN
12 ALMOST ABSOLUTE CONSISTENCY BETWEEN THE GOVERNOR'S MAY REVISE
13 AND THE EXPENDITURE PROPOSED IN THE BUDGET, ALTHOUGH THERE ARE
14 A HANDFUL OF DIFFERENCES THAT ARE HOLDING THINGS UP. THE
15 AMOUNT GOING TO EDUCATION IS EXACTLY THE SAME IN TERMS OF A
16 PERCENTAGE OF EXPENDITURE, 40.7%. THE AMOUNT GOING TO HEALTH
17 AND HUMAN SERVICES, MAY REVISE, 30.3%. THE PROPOSED BUDGET,
18 30.5%, SO 2/10THS OF A PERCENT DIFFERENCE. IN HIGHER
19 EDUCATION, 11.5, 11.5. BUSINESS AND TRANSPORTATION, 1.9%,
20 1.5%. SO THERE'S A VERY-- THE BUDGETS ARE VERY SIMILAR
21 OVERALL, THERE ARE NO PROPOSED TAXES IN THE BUDGET AND THE
22 DIFFERENCES, I THINK, RELATE TO SOME OF THE HEALTH
23 EXPENDITURES, WHICH, ONE IN PARTICULAR THAT WE ARE CONCERNED
24 ABOUT, THAT'S IN-HOME SUPPORTIVE SERVICES. IT IS INCLUDED IN
25 THE LEGISLATURE'S PROPOSED BUDGET. THE GOVERNOR DID NOT HAVE



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1 IT IN MAY REVISE AND IT'S ABOUT \$209 MILLION, I BELIEVE, AS
2 PART OF THE STATE BUDGET SYSTEM. WILL THEY BE ABLE TO PRODUCE
3 A BUDGET BEFORE THE 1ST OF JULY? YOU KNOW, IT'S SPECULATION.
4 THERE SEEMS TO BE REASONS ON BOTH SIDES OF THE AISLE FOR DOING
5 IT. THERE ARE ALSO REASONS TO NOT DO IT. THE GOVERNOR, AS YOU
6 KNOW, HAS CALLED A SPECIAL ELECTION FOR NOVEMBER AND THERE
7 APPEARS TO BE A GOOD DEAL OF JOCKEYING GOING ON IN SACRAMENTO
8 ABOUT WHETHER A BUDGET IS GOING TO ADVANTAGE THAT OR NOT
9 ADVANTAGE THAT WITH RESPECT TO WHETHER WE GET A BUDGET. BUT IN
10 TERMS OF THE DIFFERENCES BETWEEN THE GOVERNOR'S MAY REVISE AND
11 THE BUDGET THAT'S BEING CONSIDERED ON THE FLOOR TODAY, THERE'S
12 VERY LITTLE ACTUAL DIFFERENCE. SO WE'RE OPTIMISTIC THAT THEY
13 CAN PRODUCE A BUDGET. IMPORTANTLY, BOTH DO INCLUDE THE
14 RESTORATION OF PROP 42 DOLLARS, ABOUT \$1.3 BILLION, SO WE HAVE
15 ADDED 25 MILLION BACK INTO THE PUBLIC HEALTH-- EXCUSE ME, INTO
16 THE PUBLIC WORKS DEPARTMENT, SO THAT IS VERY GOOD NEWS BUT THE
17 REMAINING OUTSTANDING POTENTIAL ISSUE IS IN-HOME SUPPORTIVE
18 SERVICES. MANDATES CONTINUE TO BE AN ISSUE AND, WITH RESPECT
19 TO THE VEHICLE LICENSE FUND REPAYMENT, THE GOVERNOR HAD
20 PROPOSED \$600 MILLION TO BE REPAID TO THE COUNTIES AND CITIES.
21 THE BUDGET-- LEGISLATURE'S BUDGET REDUCES THAT TO 25 MILLION,
22 IN PART BECAUSE SO MUCH OF LOCAL GOVERNMENT HAS SECURITIZED
23 THOSE REVENUE IN ANY EVENT SO THAT THEY WOULD BE REPAYING THE
24 BOND HOLDERS EARLY, WHICH IS NOT SOMETHING THAT THEY NEED TO
25 DO. SO THAT'S WHERE THE STATE BUDGET IS. WE DON'T SEE MUCH



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1 EXPOSURE, AT THIS TIME, TO OUR BUDGET EXCEPT IN THE AREA OF
2 IN-HOME SUPPORTIVE SERVICES AND THAT'S OBVIOUSLY A VERY
3 IMPORTANT ISSUE AND CONCERN FOR THE BOARD. ANYBODY-- DOES
4 ANYBODY HAVE ANY QUESTIONS ON WHERE WE ARE WITH RESPECT TO THE
5 STATE?

6

7 **SUP. MOLINA, CHAIR:** ANY QUESTION OR COMMENT ON THIS? YES,
8 SUPERVISOR KNABE?

9

10 **SUP. KNABE:** I JUST WOULD ADD, I MEAN, I WAS UP IN SACRAMENTO
11 LAST WEDNESDAY FOR THE DAY AND-- THE ACTUAL DAY THAT
12 DELIBERATIONS WERE TO BEGIN AND THERE WAS AN OPTIMISTIC TONE
13 ON TUESDAY BUT, BY THE TIME I GOT THERE WEDNESDAY, IT WASN'T
14 VERY OPTIMISTIC. BUT I DO FEEL, OVER THE WEEKEND, IN SPEAKING
15 TO A COUPLE OF MEMBERS ON BOTH SIDES OF THE AISLE, THERE
16 APPEARS TO BE SOME STRONG NEGOTIATING IS GOING ON AND
17 HOPEFULLY MAYBE IN THE NEXT 30 DAYS, I DIDN'T HEAR ANYTHING
18 ABOUT THE END OF JUNE BUT IN THE NEXT 30 DAYS, SOME COMPROMISE
19 BEING WORKED OUT BETWEEN THE ADMINISTRATION AND THE
20 LEGISLATURE. AND I THINK IT ALSO INCLUDES, YOU KNOW, SOME TIE-
21 IN TO THE NOVEMBER ISSUE AS WELL, TOO, BUT CERTAINLY LAST
22 WEDNESDAY, THERE WASN'T A LOT OF OPTIMISM AND THERE WAS A LOT
23 OF JOCKEYING GOING ON AND A LOT OF GAME-PLAYING. SO THE ONLY
24 DIFFERENCE WAS IS THAT IT WAS NICE TO BE UP THERE AND KNOW
25 THAT WE HAD THE PROTECTION OF PROP 1-A. I MEAN, CLEARLY, WE



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1 COULD HAVE BEEN A VICTIM IN THIS PROCESS AGAIN, PARTICULARLY
2 AS IT RELATES TO NOVEMBER.

3

4 **SUP. MOLINA, CHAIR:** MS. BURKE?

5

6 **SUP. BURKE:** I WOULD JUST LIKE TO GET A CLARIFICATION OF THE
7 HOME HEALTHCARE WORKERS' WAGE ISSUE AND WHERE THAT IS AND HOW
8 IT AFFECTS US AND WHAT THE POTENTIAL IS. IS THIS ONE OF THE
9 AREAS OF CONTENTION ON THE BUDGET IN TERMS OF THE CONFERENCE
10 COMMITTEE REPORT?

11

12 **C.A.O. JANSSEN:** MADAM CHAIR, SUPERVISOR, NO, IT IS NOT ON THE
13 CONFERENCE COMMITTEE. IT ACTUALLY DIDN'T EVEN GO TO CONFERENCE
14 BECAUSE BOTH THE ASSEMBLY AND THE SENATE INCLUDED IT IN THEIR
15 BUDGETS, SO IT WAS NOT A CONFERENCE ITEM. THE RESTORATION OF
16 \$206 MILLION TO THE BUDGET WAS INCLUDED BY BOTH HOUSES. IT WAS
17 NOT EVEN A CONFERENCE ITEM, SO IT'S IN THE BUDGET THAT'S ON
18 THE FLOOR.

19

20 **SUP. BURKE:** AND THAT TAKES THEIR HOURLY TO WHAT AMOUNT AND
21 WHAT DOES THAT DO AS FAR AS WE'RE CONCERNED?

22

23 **C.A.O. JANSSEN:** IT-- THE GOVERNOR'S PROPOSAL WAS TO REDUCE THE
24 STATE CONTRIBUTION TO WAGES TO MINIMUM WAGE, WHICH I THINK IS
25 6.95.



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1

2 **SUP. BURKE:** RIGHT.

3

4 **C.A.O. JANSSEN:** THE STATE IS AT NINE OR 10, IT SEEMS TO ME, IN
5 TERMS OF ITS WILLINGNESS TO REIMBURSE. I'M NOT SURE IF THE
6 2.06 TAKES IT BACK UP TO THE 9 OR 10 BUT WHATEVER THE LAST
7 FLOOR WAS IS WHERE THEY'RE TAKING IT AND I DON'T KNOW IF
8 THEY'VE ADDRESSED THE ONGOING ISSUE OF THE INCREASE YEAR AFTER
9 YEAR TO A CERTAIN-- I THINK 11 WAS THE CAP THAT THEY WERE
10 SHOOTING FOR. WE'RE AT \$8.10 IN LOS ANGELES COUNTY, SO WE'RE
11 WELL BELOW WHATEVER THE STATE SAID IT WAS WILLING TO REIMBURSE
12 US FOR BECAUSE WE DON'T HAVE THE LOCAL DOLLARS TO MATCH.

13

14 **SUP. YAROSLAVSKY:** WHAT'S THE REIMBURSEMENT RATE?

15

16 **C.A.O. JANSSEN:** IT'S A 65/35 SPLIT, 65% THEM/35% US. IF THE...

17

18 **SUP. KNABE:** IT STARTED 100/0.

19

20 **C.A.O. JANSSEN:** IT'S BEEN THROUGH MANY ITERATIONS OVER THE
21 YEARS AND WE CAN'T CONVINCE THE STATE TO TAKE THE PROGRAM
22 BACK, WHICH IS WHERE IT BELONGS, IN THE STATE. SHOULD THE
23 GOVERNOR PREVAIL AND REDUCE THE STATE CONTRIBUTION TO \$6.95,
24 IT WOULD COST-- WE CALCULATE IT WOULD COST OUR LOCAL BUDGET
25 ABOUT \$74 MILLION A YEAR IN GENERAL FUND WITH ADDITIONAL



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1 EXPENDITURE TO MAINTAIN THE 8/10, ABOUT \$74 MILLION. SO
2 CLEARLY, THIS IS A HUGE ISSUE FOR US. AND I WAS TALKING TO
3 ASSEMBLYMAN DE LA TORRE LAST WEEK. HE'S CHAIR OF THE BUDGET
4 SUBCOMMITTEE ON HEALTH AND, WHEN THEY LOOKED AT THESE ISSUES,
5 THEY LOOKED AT THE V.L.F. REPAYMENT, THEY LOOKED AT I.H.S.S.
6 THEY THOUGHT THIS WAS A MUCH HIGHER PRIORITY FOR LOCAL
7 GOVERNMENT THAN REPAYMENT OF THE FUNDS AND HE'S ABSOLUTELY
8 RIGHT. IT WOULD BE A HUGE IMPACT TO US WERE WE TO TRY TO
9 BACKSTOP THAT. NOW, I THINK WE'RE SPENDING ABOUT \$35 MILLION
10 RIGHT NOW TO MAINTAIN THE 8/10, SO THAT'S THE EXPOSURE THAT WE
11 HAVE.

12

13 **SUP. BURKE:** AND, IN THIS BUDGET, WE HAVE THAT 8/10 AND OUR
14 35%...

15

16 **C.A.O. JANSSEN:** THAT IS CORRECT. AND YOU HAVE, IN FACT, ITEM
17 64 ON TOMORROW'S AGENDA, WHICH I THINK IS GOING TO BE
18 CONTINUED A WEEK, ADDRESSES THAT ISSUE. SO WE'LL HAVE A CHANCE
19 TO DISCUSS THAT SPECIFICALLY BEFORE THE END OF THIS FISCAL
20 YEAR.

21

22 **SUP. MOLINA, CHAIR:** SUPERVISOR YAROSLAVSKY.

23



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1 **SUP. YAROSLAVSKY:** IF THE STATE LEGISLATURE'S PROPOSAL HOLDS,
2 THEN THERE-- THEN THE BUDGET YOU'VE PROPOSED IS CONSISTENT
3 WITH WHAT THEY'VE DONE?

4

5 **C.A.O. JANSSEN:** THAT IS CORRECT.

6

7 **SUP. YAROSLAVSKY:** OKAY. LET ME ASK YOU A SEPARATE QUESTION.
8 ONE OF THE INITIATIVES THAT'S HEADED FOR THE BALLOT IN
9 NOVEMBER IS THIS BUDGET, THE STATE BUDGET ISSUE, SO-CALLED
10 REFORM INITIATIVE.

11

12 **C.A.O. JANSSEN:** PROP 172, THE SPENDING CAP, RIGHT.

13

14 **SUP. YAROSLAVSKY:** WHATEVER IT IS. THE-- I HAVE NOT READ IT YET
15 BUT THE WORD WE'RE GETTING, AND I'M SURE YOU'RE IN THE MIDDLE
16 OF IT IN TERMS OF THE IMPACT OF THAT MEASURE ON CITIES AND
17 COUNTIES HAS ME A LITTLE CONCERNED. WHAT DOES THAT DO TO THE--
18 FIRST OF ALL, DOES IT DO ANYTHING TO UNDERMINE PROP 1-A THAT
19 WAS APPROVED BY THE VOTERS JUST LAST YEAR? WHAT DOES IT DO TO
20 THE STABILITY OF LOCAL GOVERNMENT FINANCE VIS-A-VIS THE STATE?
21 ARE YOU NOT-- IS THERE NO CONNECTION?

22

23 **C.A.O. JANSSEN:** I'M THINKING THROUGH THE TWO. NO, THERE MAY
24 WELL BE A CONNECTION. THERE ARE TWO AREAS THAT LOCAL
25 GOVERNMENT BELIEVES IT MAY BE IMPACTED, AND I STRESS "MAY"



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1 BECAUSE OF THE PROP 172. REALIGNMENT DOLLARS WILL DEFINITELY
2 BE INCLUDED IN THE MEASURE AND SO OUR REIMBURSEMENT FOR MENTAL
3 HEALTH, HEALTH, THROUGH REALIGNMENT SALES TAX, WOULD BE
4 SUBJECT TO THE SPENDING CAP. SO WE COULD FIND OURSELVES WITH
5 THESE LOCAL PROGRAMS NOT BEING ABLE TO SPEND MONEY THAT WAS
6 AVAILABLE OR BEING SHORT MONEY BECAUSE OF THE SPENDING CAP.
7 NOW, IT IS POSSIBLE THAT PROP 1-A WOULD REQUIRE THE STATE TO
8 MAKE UP THE DIFFERENCE, FRANKLY. I DON'T KNOW THAT THEY'VE
9 GOTTEN FAR ENOUGH IN THAT BUT IF WE'RE SHORTED REVENUE, THERE
10 ARE STATE PROGRAMS, STATE- MANDATED PROGRAMS, SO THERE MAY BE
11 A PROVISION UNDER 1-A THAT WOULD REQUIRE THEM TO HOLD US A
12 CONSTANT. THE MORE DIFFICULT ONE IS WITH RESPECT TO PROP 172
13 AND THOSE ARE THE SALES TAX DOLLARS THAT GO TO THE SHERIFF AND
14 THE DISTRICT ATTORNEY. THE PROPONENTS AND DEPARTMENT OF
15 FINANCE FEEL VERY STRONGLY THAT THOSE WILL NOT BE IMPACTED BY
16 THE INITIATIVE. WE PRODUCED A REPORT, ABOUT A MONTH OR SO AGO,
17 SUMMARIZING VARIOUS DOCUMENTS THAT HAD BEEN PRODUCED BY THE
18 L.A.O., BY THE BUDGET INSTITUTE-- I'M FORGETTING THE NAME OF
19 IT. AS A TECHNICAL MATTER, IF YOU READ ALL OF THE DETAILS OF
20 FUNDS, IT'S NOT-- IT DOESN'T APPEAR TO BE INCLUDED. THERE ARE
21 A NUMBER OF PEOPLE THAT BELIEVE IT IS. WE'RE WORKING ON THAT
22 ISSUE SPECIFICALLY AND WILL REPORT BACK TO YOU WITHIN
23 PROBABLY-- HOPEFULLY, 30 DAYS ON OUR CONCLUSION BUT WE TOLD
24 YOU THAT IT WAS. I'M NOT CONVINCED ANY MORE, LOOKING AT IT



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1 MORE CLOSELY, THAT IT IS INCLUDED. BUT THOSE WOULD BE THE ONLY
2 PLACES THAT WE WOULD BE AFFECTED.

3

4 **SUP. YAROSLAVSKY:** COULD YOU JUST GET US A REPORT, AS YOU GUYS
5 LOOK INTO IT, ON THE IMPACT OF ANY OF THE STATE MEASURES--
6 STATE INITIATIVE MEASURES ON OUR BUDGET, THE COUNTY'S BUDGET?

7

8 **C.A.O. JANSSEN:** RIGHT. YES, ABSOLUTELY.

9

10 **SUP. MOLINA, CHAIR:** ALL RIGHT. SO THIS IS AN ITEM...

11

12 **C.A.O. JANSSEN:** JUST A REPORT.

13

14 **SUP. MOLINA, CHAIR:** JUST FOR DISCUSSION, SO IT'S ONLY A
15 RECEIVE AND FILE.

16

17 **C.A.O. JANSSEN:** RIGHT.

18

19 **SUP. MOLINA, CHAIR:** ANY OTHER QUESTION OR COMMENT? ALL RIGHT.
20 THEN LET'S MOVE ON TO ITEM NUMBER 4.

21

22 **C.A.O. JANSSEN:** ALL RIGHT. ITEM NUMBER 4 IS A REPORT ON ISSUES
23 RAISED DURING PUBLIC HEARINGS. IT IS A RECEIVE AND FILE.

24

25 **SUP. MOLINA, CHAIR:** ALL RIGHT.



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1

2 **SUP. YAROSLAVSKY:** SO MOVED.

3

4 **SUP. MOLINA, CHAIR:** MOVED BY SUPERVISOR YAROSLAVSKY, SECONDED
5 BY SUPERVISOR KNABE. IF THERE'S NO OBJECTION, SO ORDERED ON
6 THOSE ITEMS. ITEM NUMBER 5.

7

8 **C.A.O. JANSSEN:** ITEM NUMBER 5 IS A LITIGATION COST MANAGER'S
9 ANNUAL REPORT. THIS IS THE SECOND REPORT ISSUED BY THE COUNTY
10 COUNSEL'S OFFICE. YOU HAVE-- PART OF IT IS ATTORNEY/CLIENT,
11 OBVIOUSLY, BECAUSE MANY OF THE CASES ARE STILL IN LITIGATION
12 BUT IT SHOWS THAT THE INITIATIVE THAT WAS GENERATED BY THE
13 BOARD, AND I BELIEVE BY SUPERVISOR MOLINA IN A MOTION
14 SPECIFICALLY, APPEARS TO BE PAYING OFF, RATHER DRAMATICALLY
15 AND I SAY "APPEARS" BECAUSE THIS IS ALL BASED ON DATA BEING
16 ENTERED INTO A NEW AUTOMATED SYSTEM. WE'RE IN YEAR 2. I THINK
17 COUNTY COUNSEL AND MR. NAGLE BELIEVE YOU NEED AT LEAST THREE
18 YEARS TO REALLY START LOOKING AT TRENDS BUT, FOR EXAMPLE, IN
19 2000/2001, THE COUNTY PAID OUT IN JUDGMENTS AND SETTLEMENTS
20 \$58 MILLION. LAST YEAR, THAT HAD DROPPED TO 26 MILLION AND WE
21 APPEAR TO BE ON THE SAME TREND FACTOR FOR '04/'05 OF \$26
22 MILLION. THEY'RE ALSO REPORTING, IN DETAIL NOW, HOW MANY CASES
23 WE'RE INVOLVED IN, THE OUTCOME OF THE CASES, WHAT WE'RE DOING.
24 THE COUNTY, FOR EXAMPLE, 32 CASES WENT TO TRIAL IN '04/'05.
25 81% OF THE TRIALS RESULTED IN FAVORABLE VERDICTS FOR THE



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1 COUNTY. THEY TOOK 17 CIVIL SERVICE CASES TO HEARING DURING THE
2 THIRD QUARTER OF THIS YEAR. 15 RESULTED IN AFFIRMATION OF THE
3 RECOMMENDATION, 88%. 67% SUCCESS IN APPELLATE DECISIONS. I
4 THINK WHAT THE REAL ADVANTAGE OF THIS AND, AS YOU KNOW, THE
5 WHOLE PERFORMANCE COUNTS INITIATIVE OF THE COUNTY IS TO START
6 MEASURING RESULTS AND OUTCOMES, AS WELL AS OPERATIONAL
7 EFFICIENCIES, AND THAT REQUIRES DATA AND THIS IS A VERY GOOD
8 EXAMPLE OF THE ADVANTAGE OF HAVING THE INFORMATION ABOUT YOUR
9 PROGRAMS. IT ALLOWS YOU TO EITHER CONFIRM THAT YOU'RE DOING A
10 GOOD JOB AND OUTCOMES ARE REASONABLE OR YOU CHANGE WHAT YOU'RE
11 DOING TO IMPROVE THE OUTCOMES. DEPARTMENT OF SOCIAL SERVICES,
12 IN A NUMBER OF DIFFERENT DEPARTMENTS, ARE DOING DIFFERENT--
13 HAVE DIFFERENT APPROACHES ON PERFORMANCE COUNTS. ACTUALLY, I
14 WOULD-- I'M GOING TO RECOMMEND THAT BRYCE YOKOMIZO, AT A BOARD
15 MEETING, MAKE A PRESENTATION ON WHAT HE'S DOING ON D.P.S.S.
16 STATS, WHICH IS BASED ON CITY STATS, WHICH IS SOMETHING THAT
17 BRATEN USED IN NEW YORK AND IS USING HERE AS WELL, A DATABASED
18 MANAGEMENT SYSTEM THAT'S VERY EFFECTIVE. AND, AS YOU KNOW,
19 FOOD STAMP ERROR RATE IN LOS ANGELES WENT FROM 22 TO 23%, THE
20 NATIONAL CATASTROPHE DOWN TO A 7% ALLOWED THE STATE TO AVOID
21 PENALTIES AND BRYCE SAID LAST MONTH THEY WERE DOWN TO 3% ERROR
22 RATE IN FOOD STAMPS. JUST AN INCREDIBLE ACCOMPLISHMENT. IN ANY
23 EVENT, I WANT TO SCHEDULE THAT FOR A BOARD PRESENTATION. THERE
24 ARE A LOT OF THINGS LIKE THAT THAT ARE GOING ON IN THE COUNTY
25 THAT ARE VERY, I THINK, EXCITING DEALING WITH OPERATIONS AND



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1 OUTCOMES. AND THAT'S WHAT THIS REPORT IS, IS A MOVE TO GET
2 CONTROL OF THE COSTS OF LITIGATION.

3

4 **SUP. MOLINA, CHAIR:** VERY GOOD. WELL, I THINK, AGAIN, WE NEED
5 TO HIGHLIGHT SOME OF THE VERY POSITIVE THINGS THAT HAVE BEEN
6 PUT IN PLACE AND THIS IS STILL MOVING FORWARD IN A VERY
7 POSITIVE DIRECTION. I WANT TO THANK MR. FORTNER, AS WELL AS
8 DAVID JANSSEN, ON THE WORK THAT THEY'VE DONE IN THIS AREA AND
9 IT'S AN IMPRESSIVE REPORT. IT IS WORTH LOOKING AT. BUT I
10 THOUGHT WE MIGHT WANT TO BRING UP MR. NAGLE. IS HE HERE? THE
11 OTHER PART OF IT, BESIDES THE DATA AND I THINK DATA IS A VERY
12 IMPORTANT COMPONENT, GETTING ALL OF OUR LAWYERS TO RECOGNIZE
13 AND UNDERSTAND THAT, EVEN THOUGH THEY WORK FOR GOVERNMENT,
14 THEY HAVE TO ALSO BE RESPONSIBLE FOR THE BOTTOM LINE. AND OUR
15 LITIGATION COSTS WERE GETTING SO HIGH AND I DON'T THINK WE
16 WERE AS ATTENTIVE AS WE COULD HAVE BEEN TO OUR BOTTOM LINE BUT
17 ONE OF THE THINGS THAT MR. NAGLE HAS ALSO BEEN ABLE TO DO IS
18 CONVENE A ROUNDTABLE PROCESS THAT I THINK HAS REALLY BEEN
19 HELPFUL. SO I'D LIKE YOU IF YOU COULD JUST BRIEFLY SHARE WITH
20 US A LITTLE BIT ABOUT THAT.

21

22 **ROBERT NAGLE:** THE ROUNDTABLE PROCESS WAS A PROCESS THAT WAS
23 STARTED BEFORE I CAME HERE AND IT WAS VERY WELL IMPLEMENTED,
24 ESPECIALLY IN THE MED MAL-- MEDICAL MALPRACTICE AREA AND IN
25 THE AREA OF THE SHERIFF'S CASES. WHAT I DID IS JUST DRAW ON



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1 THIS PROGRAM, WHICH IS SETTING UP AS EARLY AS WE CAN IN
2 LITIGATION A MEETING WITH THE DEPARTMENT DECISION-MAKER, THE
3 OUTSIDE COUNSEL, IN-HOUSE COUNSEL, MYSELF AND THE RISK
4 MANAGEMENT TO TRULY EVALUATE THE CASE AND REALLY DETERMINE
5 EARLY ON, CAN WE DETERMINE WHAT THE VALUE OF THE CASE IS OR IS
6 THERE INFORMATION OUTSTANDING THAT WE NEED TO GET? AND IT'S
7 BEEN VERY EFFECTIVE HAVING THIS GROUP OF PEOPLE ANALYZE THE
8 CASES AND DETERMINE WHAT INFORMATION WE NEED TO MAKE A BETTER
9 EVALUATION TO WHETHER TO DISPOSE OF THE CASE OR TAKE IT TO
10 TRIAL AND IT'S HAD PHENOMENAL SUCCESS, RESULTS OVER THE PAST
11 TWO YEARS.

12

13 **SUP. MOLINA, CHAIR:** I'VE BEEN IMPRESSED AND I KNOW THAT, IN
14 MEDICAL MALPRACTICE, ONE OF THE ISSUES THAT WAS IMPORTANT IS
15 TO GET THE DEPARTMENTS TO RECOGNIZE AND UNDERSTAND THAT THEY
16 HAD THESE KINDS OF ISSUES AND NOT JUST LEAVE IT TO THE LAWYERS
17 AT THE END OF THE DAY BUT, THAT WAY, IT ALSO ASSISTED WITH
18 VARIOUS RISK MANAGEMENT ISSUES SO HAVING THE DEPARTMENT TAKE
19 SOME OWNERSHIP AND IT IS ALSO DEMONSTRATING THAT IT'S BRINGING
20 DOWN SOME OF THE COSTS ASSOCIATED AS WELL AS BEING MORE
21 SUCCESSFUL, RIGHT?

22

23 **ROBERT NAGLE:** ABSOLUTELY. I THINK IT'S ENCOURAGING LOWER
24 SETTLEMENTS OF CASES. OUR DISMISSALS OF CASES HAVE ALMOST
25 TRIPLED IN THE-- IN THIS CURRENT YEAR COMPARED TO LAST YEAR. I



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1 THINK WE'RE UP TO 440 DISMISSALS COMPARED TO 163 LAST YEAR AT
2 THE-- DURING THE FIRST THREE QUARTERS.

3

4 **SUP. MOLINA, CHAIR:** WELL, THE SAVINGS HAVE BEEN TREMENDOUS.
5 AND, AGAIN, I DON'T THINK WE PAY ENOUGH ATTENTION TO SOME OF
6 THESE THINGS BUT, LITTLE BY LITTLE, THAT'S HOW IT BUILDS UP.
7 SO WE'RE VERY FORTUNATE AT A TIME LIKE THIS. YOU CAN NEVER
8 TELL WITH LAWSUITS AS TO WHETHER YOU'LL HAVE SOMETHING THAT
9 WILL COME UP BUT THERE'S NOTHING BETTER THAN BEING WELL ARMED
10 AND TO HAVE THE DATA, TO HAVE INFORMATION AND HAVE ALL OF OUR
11 DEPARTMENTS REALLY TAKE OWNERSHIP ON SOME OF THESE AREAS
12 INSTEAD OF JUST KICKING IT OVER TO COUNTY COUNSEL AND THAT'S
13 THE LAST TIME THEY SEE IT. I JUST WANT TO EXPRESS MY GRATITUDE
14 AGAIN. IT'S BEEN A GREAT JOB. I'M GLAD YOU'RE IMPLEMENTING IT.
15 I KNOW IT'S TOUGH. IT'S CHANGING A CULTURE WITHIN THAT
16 DEPARTMENT AND MR. NAGLE AND THE ASSISTANTS OF GETTING THE
17 DATA TOGETHER AND ASSIST IN THAT REGARD AND ALSO FOR THE
18 LEADERSHIP ROLE THAT DAVID JANSSEN HAS PLAYED IN THIS AREA
19 BECAUSE I THINK ALL OF IT, COLLECTIVELY, HAS BROUGHT ABOUT
20 SOME TREMENDOUS SAVINGS BUT, MORE IMPORTANTLY, I THINK IT'S
21 GETTING EVERYBODY TO RECOGNIZE AND UNDERSTAND WE NEED TO WATCH
22 OUR DOLLARS AS WELL IN THIS AREA AND NOT TREAT IT AS CASUALLY,
23 AND NOT THAT IT WAS EVER TREATED CASUALLY BUT WE WEREN'T
24 DOCUMENTING ALL OF IT, AND I THINK WE'RE DOING A GREAT JOB, SO
25 CONGRATULATIONS TO ALL OF YOU.



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1

SUP. KNABE: MADAM CHAIR, IF I COULD JUST ASK MR. NAGLE A QUESTION OR MR. FORTNER, EITHER ONE. YOU KNOW, ONE OF MY CONCERNS CONTINUES TO BE THE SPIRIT OF COOPERATION BETWEEN COUNTY COUNSEL AND THIS OFFICE AND RISK MANAGEMENT AND THAT'S A CRITICAL MIX IN WORKING TOGETHER AND, WHILE THERE HAS BEEN SOME IMPROVEMENT, THERE STILL, YOU KNOW, APPEARS TO BE SOME ISSUES. SO, YOU KNOW, HOPEFULLY, IN THIS PROCESS AND THE ROUNDTABLE AND EVERYTHING ELSE THAT WE WORK TOGETHER ON THIS AND I KNOW THAT COUNTY COUNSEL'S NOT BEEN TOO FOND OF THE NEW RISK MANAGEMENT KINDS OF THINGS AT TIMES BUT IT DOES APPEAR TO BE GETTING BETTER BUT, HOPEFULLY, WE CAN MAKE SOME ADDITIONAL PROGRESS AS WELL.

14

COUNSEL: RISK MANAGEMENT IS CRITICAL TO THE PROCESS. AS COUNTY COUNSEL FOCUSES IN ON THE COSTS OF LITIGATION, IT'S-- RISK MANAGEMENT'S THERE FOR THE CORRECTIVE ACTION AND THE LOSS CONTROL ASPECTS OF LITIGATION, AND IT'S WORKING-- I THINK IT'S-- WE HAVE DISAGREEMENTS IN CERTAIN AREAS BUT THE PROCESS IS VERY COOPERATIVE AND IT'S WORKING VERY WELL.

21

SUP. KNABE: THANK YOU.

23

COUNSEL: I'D LIKE TO JUST ALSO THANK THE BOARD FOR YOUR SUPPORT. IT'S VERY ENCOURAGING TO HAVE PUBLIC OFFICIALS SO

25



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1 DEDICATED TO, ESPECIALLY IN CLOSED SESSION, THE COSTS OF
2 LITIGATION AND YOUR EMPHASIS ON THE COSTS IS-- REALLY HELPS
3 SUPPORT ME IN THE PERFORMANCE OF MY JOB.

4

5 **SUP. BURKE:** MAY I JUST ASK A VERY QUICK QUESTION? WHAT DO YOU
6 ATTRIBUTE THE HIGHER DISMISSAL RATE? IS IT A COOPERATION WITH
7 THE DEPARTMENTS, WITH THE COUNTY COUNSEL OR IS IT BETTER
8 INVESTIGATION? WHAT DO YOU ATTRIBUTE THAT TO?

9

10 **COUNSEL:** AS YOU TRACK-- MR. JANSSEN, AS YOU START TRACKING
11 ITEMS THAT ARE IMPORTANT, YOU GET PEOPLE STARTING TO FOCUSING
12 IN ON IT. SO ME COMING IN, TRACKING HOW MANY DISMISSALS WE'RE
13 GETTING EVERY QUARTER NOW PUTS AN EMPHASIS ON EVERYBODY TO
14 START DOCUMENTING AND ACTUALLY CLOSING OUT THE CASES AS THEY
15 COME ABOUT. SO IT'S JUST PERFORMANCE COUNTS WORKS.

16

17 **SUP. MOLINA, CHAIR:** AND I KNOW THAT, WHEN WE FIRST STARTED
18 WITH THE MEDICAL MALPRACTICE ISSUE, ONE OF THE THINGS THAT WE
19 WOULD FIND IS THAT THERE JUST WASN'T ANY INVOLVEMENT FROM THE
20 DEPARTMENT AND EVEN RECORDS WERE LOST ALL OF THE TIME THAT
21 WERE ESSENTIAL TO A LAWSUIT AND GARY MILLER HAS BEEN A BIG
22 PART OF MAKING THAT HAPPEN AND PUTTING IT IN PLACE SO THERE
23 WAS MORE ACCOUNTABILITY AND THAT HAS DEMONSTRATED AN
24 UNBELIEVABLE AMOUNT OF SAVINGS JUST TO THE DEPARTMENT OF
25 HEALTH SERVICES ALONE. BUT I THINK JUST ALL OF IT, AND



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1 TRACKING IT IS CREATING A BETTER DISCIPLINE FOR EVERYONE AND
2 IT'S REALLY DEMONSTRATED. BUT WE DO REALLY NEED TO MAKE SURE
3 THAT, AS WE MOVE THAT FORWARD, THAT IT'S ALSO A BIG PART--
4 RISK MANAGEMENT IS ESSENTIAL, AND THAT'S WHERE THE DEPARTMENTS
5 COME IN AND START TAKING MORE OWNERSHIP AND MORE
6 ACCOUNTABILITY OF SOME OF THE-- OF THESE THINGS THAT CAN BE
7 CORRECTED SO QUICKLY. WE THANK YOU ALL. YOU DID A GREAT JOB.
8 WE APPRECIATE IT. SO, AGAIN, THIS IS A REPORT. I THINK THERE
9 IS NO ACTION, IT'S JUST A RECEIVE AND FILE. IS THAT CORRECT,
10 DAVID?

11

12 **C.A.O. JANSSEN:** YES, THAT'S CORRECT.

13

14 **SUP. MOLINA, CHAIR:** ALL RIGHT. OUR NEXT ITEM, THEN-- THANK YOU
15 SO MUCH AGAIN.

16

17 **C.A.O. JANSSEN:** ALL RIGHT. ITEM NUMBER 7 IS ALSO A TECHNICAL
18 ITEM. WE NEED YOU TO AUTHORIZE GRANT FUNDING AGREEMENTS FOR
19 THE LISTED PROJECTS SO THAT WE CAN PROCEED WITH THEM. THAT'S
20 6.

21

22 **SUP. MOLINA, CHAIR:** OH. YOU SAID 7.

23

24 **C.A.O. JANSSEN:** DID I? OH, I'M SORRY. NO, 6 IS AUTHORIZE GRANT
25 FUNDING AGREEMENTS.



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1

2 **SUP. MOLINA, CHAIR:** OH, OKAY.

3

4 **C.A.O. JANSSEN:** NUMBERS CONFUSE ME.

5

6 **SUP. MOLINA, CHAIR:** THAT ITEM IS BEFORE US. SUPERVISOR
7 ANTONOVICH?

8

9 **SUP. ANTONOVICH:** MR. JANSSEN, THIS IS A \$32 MILLION REQUEST
10 BUT WOULD IT NOT BE BETTER TO DELAY THIS TO THE...

11

12 **SUP. KNABE:** TALKING ABOUT 7?

13

14 **SUP. ANTONOVICH:** I'M TALKING ABOUT 7.

15

16 **C.A.O. JANSSEN:** OH, I'M ON 6.

17

18 **SUP. MOLINA, CHAIR:** THIS IS ON ITEM...

19

20 **C.A.O. JANSSEN:** I'M SORRY, SUPERVISOR. I JUMPED.

21

22 **SUP. MOLINA, CHAIR:** HE CALLED IT WRONG.

23

24 **C.A.O. JANSSEN:** I CALLED IT WRONG.

25



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1 **SUP. MOLINA, CHAIR:** THIS IS ITEM NUMBER 6.

2

3 **C.A.O. JANSSEN:** WE'RE ON 6.

4

5 **SUP. KNABE:** MOVE THE RECOMMENDATION.

6

7 **SUP. MOLINA, CHAIR:** MOVED BY SUPERVISOR KNABE, SECONDED BY
8 SUPERVISOR BURKE. ANY QUESTION OR COMMENT? NO OBJECTION? SO
9 ORDERED. ALL RIGHT. NOW WE'RE ON ITEM NUMBER 7.

10

11 **C.A.O. JANSSEN:** OKAY. THANK YOU. ITEM NUMBER 7 IS A LITTLE
12 MORE COMPLICATED THAN ITEM NUMBER 6. ITEM NUMBER 7, MY
13 RECOMMENDATION ON ITEM NUMBER 7, SUPERVISORS, IS THAT THIS BE
14 CONTINUED, THAT YOU NOT TAKE ACTION ON IT TODAY UNTIL PROBABLY
15 SOMETIME IN AUGUST. WE HAVE JURISDICTIONAL APPROVALS THAT ARE
16 NOT COMPLETE YET FOR ALL OF THE PROJECTS, WE CAN'T START THEM
17 UNTIL WE RECEIVE THEM AND WE WON'T CONTINUE THAT PROGRESS--
18 PROCESS UNTIL WE HAVE THEM BUT I'M ESTIMATING IT WILL BE
19 SOMETIME IN AUGUST AND I THINK WE HAVE A NUMBER OF ACTIONS
20 FROM YOUR BOARD COMING BACK IN AUGUST AND THAT THAT'S AN
21 APPROPRIATE TIME TO LOOK AT THIS, ALONG WITH EVERYTHING ELSE.
22 I WILL POINT OUT, THOUGH, AND THIS MAY BE WHERE SUPERVISOR
23 ANTONOVICH IS GOING, AS PART OF ITEM NUMBER 8, WE ARE
24 INCLUDING IN THE CHANGE LETTER THE MONEY TO FUND THE REMODEL
25 OF THE OPERATING ROOMS AND THE REMODEL OF THE PSYCH ROOMS,



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1 ABOUT \$32 MILLION. THAT IS IN THE CHANGE LETTER IN THE CAPITAL
2 PROJECT BUT IT CAN'T BE SPENT UNTIL WE COME BACK IN AUGUST AND
3 ADDRESS THE ISSUES RELATED TO THIS REPORT AND OTHER ISSUES
4 RELATED TO M.L.K.

5

6 **SUP. KNABE:** SO, I MEAN, IT DEFINITELY CANNOT BE SPENT, EVEN
7 THOUGH...

8

9 **C.A.O. JANSSEN:** DEFINITELY CANNOT BE SPENT.

10

11 **SUP. KNABE:** BUT YOU ARE TRANSFERRING IT TO CAPITAL PROJECTS?

12

13 **C.A.O. JANSSEN:** RIGHT. IT'S GOING TO SIT IN A FUND WHEREVER IT
14 IS. WE HAVE THE 32 MILLION SO WHETHER IT STAYS IN HEALTH
15 RESERVE, WHERE IT IS NOW, OR IT MOVES INTO A CAPITAL PROJECT,
16 IT CAN'T BE SPENT.

17

18 **SUP. MOLINA, CHAIR:** BUT, AGAIN, THAT ACTION IS NOT BEING
19 TAKEN.

20

21 **C.A.O. JANSSEN:** THE RECOMMENDATION IS TO CONTINUE ITEM 7.

22

23 **SUP. MOLINA, CHAIR:** ALL RIGHT.

24



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1 **SUP. YAROSLAVSKY:** SO YOUR RECOMMENDATION IS CONTINUE THE WHOLE
2 ITEM?

3

4 **SUP. MOLINA, CHAIR:** RIGHT.

5

6 **C.A.O. JANSSEN:** YES.

7

8 **SUP. YAROSLAVSKY:** SO, THEN, WHERE WILL THIS MONEY BE AFTER WE
9 FINISH TODAY, ASSUMING WE APPROVE THE BUDGET?

10

11 **C.A.O. JANSSEN:** WELL, IF YOU DO ITEM 8, IT WILL SIT IN A
12 CAPITAL PROJECT ACCOUNT FOR EACH OF THOSE PROJECTS. 32 MILLION
13 ONLY, NOT 60.

14

15 **SUP. BURKE:** I HAVE ONE QUESTION.

16

17 **SUP. KNABE:** BUT THE DIFFERENCE IS, IT CHANGES FROM A 4-VOTE
18 ITEM TO A 3-VOTE ITEM BY THE TRANSFER TO CAP PROJECTS, IS THAT
19 CORRECT?

20

21 **C.A.O. JANSSEN:** NO. I THINK ONCE YOU-- ONCE IT'S IN THE
22 BUDGET, SPENDING IT IS A 3-VOTE ITEM.

23

24 **SUP. KNABE:** BUT IT'S IN A DESIGNATION FUND RIGHT NOW, IS THAT
25 CORRECT?



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1

2 **C.A.O. JANSSEN:** IT'S IN HEALTH DESIGNATION RIGHT NOW. IF IT
3 STAYED IN HEALTH DESIGNATION, THEN IT WOULD TAKE FOUR VOTES,
4 RIGHT, THAT'S TRUE.

5

6 **SUP. BURKE:** MAY I ASK...

7

8 **SUP. MOLINA, CHAIR:** MS. BURKE?

9

10 **SUP. BURKE:** IS IT NECESSARY TO GET OSH POD FOR THE PSYCHIATRIC
11 REQUIREMENTS THAT THEY PUT UPON THE HOSPITAL? I KNOW THAT
12 THERE WERE A NUMBER OF CHANGES THEY SAID THAT HAD TO BE MADE
13 IN THE PSYCH WARDS BECAUSE THERE WERE-- THE TILES AND THERE
14 WERE THINGS THAT PEOPLE COULD PULL OFF. YOU STILL HAVE TO GET
15 GOVERNMENT APPROVAL FOR THOSE?

16

17 **C.A.O. JANSSEN:** LET'S SEE. WE NEED JURISDICTIONAL APPROVAL ON
18 THE PSYCH ROOM, THE UTILITIES IN THE PSYCH, OPERATING SUITE
19 RENOVATION, WE NEED JURISDICTIONAL APPROVAL, UTILITY
20 INFRASTRUCTURE RELATED TO THE OPERATING SURGERY AND UTILITIES
21 INFRASTRUCTURE. IT SAYS "YES" ON ALL OF THOSE. JAN, IS IT YES?
22 YES, WE DO.

23



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1 **SUP. BURKE:** EVERY WEEK, WE ASK THEM WHY IT'S NOT DONE, SO WE
2 SHOULDN'T ASK THEM UNTIL AUGUST WHY IT'S NOT COMPLETED? WILL
3 WE KNOW WHEN THE APPROVALS ARE GIVEN?

4

5 **C.A.O. JANSSEN:** YES, WE'LL NOTIFY YOU.

6

7 **SUP. MOLINA, CHAIR:** ANYTHING ELSE? ALL RIGHT. THAT ITEM IS
8 CONTINUED AND IT'S NOT SCHEDULED AS YET. DAVID, YOU'LL
9 SCHEDULE IT LATER?

10

11 **C.A.O. JANSSEN:** YES.

12

13 **SUP. MOLINA, CHAIR:** ALL RIGHT. ITEM NUMBER 8.

14

15 **C.A.O. JANSSEN:** ALL RIGHT. ITEM NUMBER 8, AND I'M GOING TO ASK
16 MY STAFF TO DISTRIBUTE-- AND I APOLOGIZE FOR GIVING YOU MORE
17 INFORMATION BUT IT IS A SUMMARY OF THE INFORMATION YOU HAVE ON
18 THE CHANGE LETTER AND ITEM 8 ARE OUR PROPOSED ADDITIONS TO THE
19 PROPOSED BUDGET. AND, AS MUCH AS I'D LIKE TO SAY THAT THE
20 BOARD LETTER IS STRAIGHTFORWARD AND UNDERSTANDABLE, IT
21 CERTAINLY HAS ALL THE DETAILS AND SPECIFICS BUT I DON'T THINK
22 IT ALLOWS ANYONE TO GET AN OVERALL PICTURE OF WHAT'S IN THIS
23 INCREASE AND THE INCREASE IN THE CHANGE LETTER IS
24 \$1,041,000,000 AND SINCE IT IS SUCH A SUBSTANTIAL NUMBER, I
25 THOUGHT IT WOULD BE HELPFUL TO BREAK THAT OUT INTO CATEGORIES.



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1 SO LET ME DO IT THIS WAY. FIRST OF ALL, GENERALLY, WHAT'S
2 GOING ON IN THE CHANGE LETTER IS A REASONABLY SMALL AMOUNT OF
3 NEW GENERAL FUND REVENUES. THERE'S ONLY \$68 MILLION OF NEW
4 PROPERTY TAX THAT'S BEING ADDED TO NEXT YEAR'S BUDGET, ABOUT
5 20 MILLION OF INTEREST EARNINGS. SO THERE'S ABOUT 88 MILLION
6 OF THE BILLION THAT'S NEW GENERAL FUND DOLLARS. A SIGNIFICANT
7 PORTION OF THE BUDGET HAS TO DO WITH ANTICIPATED FUND BALANCE
8 AND MOVEMENT OF PROJECTS FROM DESIGNATIONS TO ONE-TIME
9 EXPENDITURES. SO IF YOU LOOK AT THE SUMMARY I GAVE YOU, OF THE
10 1.41 BILLION, 578 MILLION OF IT IS ONE-TIME, AND THE SECOND
11 BOX IN THE MIDDLE OF THAT SUMMARY SHOWS YOU WHERE THAT IS.
12 WHERE...

13

14 **SUP. YAROSLAVSKY:** YOU SAID IT IS 1.041 BILLION.

15

16 **C.A.O. JANSSEN:** RIGHT.

17

18 **SUP. YAROSLAVSKY:** SINCE WE'RE NOT SHOWING THIS SCREEN, I
19 DIDN'T WANT IT TO...

20

21 **C.A.O. JANSSEN:** WHAT DID I SAY?

22

23 **SUP. YAROSLAVSKY:** YOU SAID 1.41 BILLION.

24

25 **C.A.O. JANSSEN:** OH, NO. 1 BILLION, 41 MILLION.



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1

2 **SUP. YAROSLAVSKY:** NO, ONE BILLION, 41 MILLION. YOU'RE RIGHT.
3 THAT'S CORRECT.

4

5 **C.A.O. JANSSEN:** RIGHT. YEAH. DON'T CONFUSE ME. THAT'S BAD
6 ENOUGH ALREADY. [LAUGHTER] OKAY. ONE BILLION, 41 MILLION. IN
7 THE ONE-TIME EXPENDITURES, 168 MILLION IS GOING INTO A CAPITAL
8 PROJECTS DESIGNATION. WE CAN TALK ABOUT THAT IN SEPTEMBER. 362
9 MILLION ARE FOR CAPITAL PROJECTS, ONE-TIME EXPENDITURE.
10 THERE'S 11 MILLION FOR THE PURCHASE OF VEHICLES, 27 MILLION
11 PRIMARILY FOR THE REGISTRAR'S NEW INKAVOTE SYSTEM TO COMPLY
12 WITH FEDERAL REGULATIONS AND 10 MILLION ONE-TIME IN MENTAL
13 HEALTH, WHICH WE'LL TALK ABOUT IN A LATER ITEM. SO \$578
14 MILLION OR ALMOST 60% OF IT IS GOING INTO ONE-TIME
15 EXPENDITURES. SPECIAL FUNDS AND SPECIAL DISTRICTS, FIRE,
16 LIBRARIES, ROADS, 144 MILLION. THIS IS A ROUTINE CHANGE IN THE
17 CHANGE LETTER, THE 25 MILLION PROPOSITION 42 ROAD FUNDS, FOR
18 EXAMPLE, WOULD SHOW UP IN THE 144 MILLION. AND I'LL GO THROUGH
19 THESE IN DETAIL. I JUST WANT TO GIVE YOU A FEEL FOR WHERE THE
20 MONEY IS. CARRYOVER PROJECTS IS A NET 14. IT GETS COMPLICATED
21 BUT IT IS ONLY A NET ADDITION OF 14 MILLION. DEPARTMENT OF
22 HEALTH SERVICES, WHICH WE'LL TALK ABOUT IN MORE DETAIL,
23 ACCOUNTS FOR 144 MILLION OF THE BILLION AND THE GENERAL FUND,
24 AS I SAID, IS ONLY \$84 MILLION. SO WHEN WE TALK ABOUT ONGOING
25 EXPENDITURES OF THE GENERAL FUND, IT'S THE \$84 MILLION AND



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1 THAT'S IDENTIFIED ON THE NEXT PAGE WHERE IT IS GOING THAT
2 WE'RE TALKING ABOUT. SHERIFF, 7.6 MILLION. D.A., 2.7. E-CAPS,
3 4.1. PFU, ABOUT 20 MILLION. AND, AGAIN, I'M MAKING THAT A
4 DIFFERENTIATION BECAUSE OF THE SIZE OF THE BILLION DOLLARS.
5 WE'RE ESSENTIALLY TAKING FUND BALANCE THAT WE WOULD NORMALLY
6 SEE IN SEPTEMBER AND BRINGING IT INTO THE BUDGET NOW. IT'S
7 ABOUT 229 MILLION OF IT. NOW, IN JUNE, WHEN WE WENT TO NEW
8 YORK FOR THE RATING TRIP, WHICH WE DO EVERY YEAR TO BORROW
9 MONEY, MOODY'S-- ALL THREE AGENCIES: FITCH, MOODY'S, AND
10 STANDARD AND POORS GAVE THE COUNTY THE HIGHEST RATING POSSIBLE
11 ON ITS SHORT-TERM BUT I WANT TO READ YOU A BRIEF STATEMENT
12 FROM MOODY'S THAT TIES INTO THIS 84-- \$84 MILLION. MOODY'S
13 SAID: THE RATING REFLECTS THE COUNTY'S STABLE FINANCIAL
14 POSITION, A PROPOSED BUDGET BASED ON CONSERVATIVE ASSUMPTIONS,
15 CASH FLOW PROJECTIONS WHICH REFLECT THAT CONSERVATIVE BUDGET
16 AND THE BOARD'S DEMONSTRATED WILLINGNESS TO MAKE SIGNIFICANT
17 PROGRAM CUTS WHEN NECESSARY TO MAINTAIN BALANCED OPERATIONS.
18 THE COUNTY'S TOTAL LIQUIDITY IS THE STRENGTH REFLECTED IN THE
19 NOTE RATING, EVEN ADJUSTING FOR THE COUNTY'S MORE EXPANSIVE
20 DEFINITION OF BORROWABLE RESOURCES THAN THAT USED IN MOST
21 COUNTIES. THE COUNTY STILL FACES A NUMBER OF NOTABLE LONG-TERM
22 CHALLENGES, PARTICULARLY IN THE HEALTH DEPARTMENT, BUT THESE
23 DO NOT AFFECT THE CREDIT QUALITY OF ITS NOTES FOR THE UPCOMING
24 FISCAL YEAR. ONE MEASURE, AND IT ISN'T EASY TO GET INDEPENDENT
25 A MEASUREMENT OF HOW WELL YOU DO ON THE BUDGET. I MEAN, WE



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1 HAVE A PRETTY GOOD MEASUREMENT OF HOW THE STATE HAS DONE OVER
2 THE LAST FOUR OR FIVE YEARS. THEY DUG THEMSELVES A HUGE HOLE
3 THAT THEY'RE STILL TRYING TO DIG THEMSELVES OUT OF. RATING
4 AGENCIES ARE A WAY TO GIVE YOU AN INDEPENDENT VIEW OF THE
5 CONDITION OF-- YOUR FISCAL CONDITION AND, IMPORTANTLY, IT
6 REFLECTS, AS MUCH AS ANYTHING ELSE, THE ELECTED OFFICIALS'
7 WILLINGNESS TO MAKE TOUGH DECISIONS. AND THAT'S WHY THE STATE
8 GOT ITSELF IN TROUBLE WITH WALL STREET AS WELL, IS THERE WAS
9 NO INDICATION THAT THEY WERE WILLING TO MAKE THE TOUGH CUTS IN
10 THE BUDGET. YOU HAVE-- THIS BOARD HAS DEMONSTRATED, YEAR AFTER
11 YEAR, A WILLINGNESS NOT ONLY TO MAKE DIFFICULT CUTS BUT ALSO
12 TO HOLD THE LINE ON ADDITIONS TO THE BUDGET, WHICH IS EQUALLY
13 AS IMPORTANT, WHICH ALSO, AS A MATTER OF FACT, IS WHY, FOR THE
14 LAST SEVERAL YEARS WHEN WE HAVE A FUND BALANCE, THERE'S MONEY
15 AVAILABLE FOR CAPITAL AND INFRASTRUCTURE AND THAT'S WHAT WE
16 HAVE BEEN INVESTING IN BECAUSE THE '90S AND THE LATE '80S IN
17 LOCAL GOVERNMENT WERE VERY BAD YEARS AND THE INFRASTRUCTURE,
18 CAPITAL, MAJOR MAINTENANCE WAS IGNORED. SO ALL OF THIS IS
19 REFLECTED IN THE RATING AGENCY. ANOTHER IS, FRANKLY, THE
20 AMOUNT OF MONEY THAT YOU BORROW FOR CASH FLOW PURPOSES. IN
21 1997/'98, WE BORROWED \$1.3 BILLION TO GET THROUGH THE YEAR.
22 THIS YEAR, WE'RE BORROWING 500 MILLION. SO OUR RELIANCE ON
23 WALL STREET HAS DECLINED FROM 1.3 BILLION TO 500 MILLION OVER
24 THAT PERIOD OF TIME, WHICH ALSO REFLECTS THE STRENGTH AND THE
25 SOUNDNESS OF, I THINK, L.A. COUNTY'S BUDGET AND THE JOB YOU



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1 GUYS HAVE BEEN DOING IN WATCHING TAXPAYER DOLLARS AND HOW
2 THEY'RE SPENT. SO THAT 84 MILLION, I'M CALLING IT OUT AGAIN
3 BECAUSE THE BILLION DOLLARS IS SIGNIFICANT, BUT MOST OF THAT
4 IS GOING INTO ONE-TIME EXPENDITURES AND/OR SPECIAL FUNDS. SO,
5 WITH THAT, ON ITEM 8, LET ME HIGHLIGHT A COUPLE OF THINGS. THE
6 PROPOSED BUDGET IS NOW 19.579 BILLION DOLLARS. THAT'S JUST
7 ABOUT AN 8.9% INCREASE FROM LAST YEAR'S BUDGET. STAFF-- A NEW
8 STAFF OF 2,207.8, WHICH IS ONLY A 2.4% GROWTH, WHICH REFLECTS,
9 AGAIN, THE DIFFERENCE BETWEEN ONE-TIME EXPENDITURES AND
10 ONGOING EXPENDITURES. CARRYOVER. I'VE TALKED ABOUT ONE-TIME--
11 WHAT ARE SOME OF THE ONE-TIME FUNDING? 168 MILLION, I
12 INDICATED, WILL GO INTO A DESIGNATION FOR CAPITAL PROJECTS. 32
13 MILLION INTO EXTRAORDINARY MAINTENANCE, 25 MILLION FOR THE
14 REGISTRAR-RECORDER. ANOTHER 31 MILLION IN REVENUE OFFSET
15 CAPITAL PROJECTS. 14 MILLION FOR BEACH REFURBISHMENT ON
16 BEACHES RUN BY AND/OR OWNED BY THE COUNTY. 8.6 MILLION TO DEAL
17 WITH FLOOD DAMAGES AND YOU HAVE A REPORT LATER ON THAT TALKS
18 ABOUT ROADS AND BEACH DAMAGE. WE'RE FUNDING THE RESTORATION OF
19 THOSE THROUGH ONE-TIME MONEYS. THE HALL OF ADMINISTRATION, \$20
20 MILLION DEALING WITH THE SEISMIC ISSUE OF THAT IS INCLUDED IN
21 THIS PROPOSED ITEM. BASIC THINGS LIKE SOIL, SITE REMEDIATION
22 OF SANITATION, CLOSED LANDFILLS, \$23 MILLION. SO, THOSE ARE
23 SOME OF THE THINGS INCLUDED IN CAPITAL PROJECTS. OTHER
24 CHANGES. WE ARE PROPOSING TO INCREASE THE SHERIFF'S BUDGET BY
25 4.6 MILLION TO ADD TO HIS RECRUITMENT CHALLENGE, WHICH HE HAS



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1 BECAUSE, IN THE PROPOSED BUDGET, AS YOU KNOW, YOU HAVE BEFORE
2 YOU THE REOPENING OF ALL OF THE JAIL BEDS THAT WERE CLOSED, I
3 THINK, AND THEN SOME, ABOUT 4,400. HE HAS A SIGNIFICANT
4 CHALLENGE TO HIRE PEOPLE NOW TO FILL AND REOPEN THOSE BEDS. \$3
5 MILLION TO FUND INCREASED LAUNDRY COSTS TO DEAL WITH THE
6 M.R.S.A. OUTBREAK IN COUNTY JAILS, WHICH YOU DEAL WITH, YOU
7 KNOW, IT SEEMS LIKE, EVERY OTHER MONTH HERE, ABOUT THAT
8 PROBLEM IN THE JAILS. 2.7 MILLION TO THE DISTRICT ATTORNEY'S
9 HARDCORE GANG DIVISION, PUT MORE EMPHASIS ON WHAT IS A VERY
10 CRITICAL ISSUE IN LOS ANGELES, OBVIOUSLY. E-CAPS, THE AUDITOR,
11 IF HE'S HERE, I'M SURE TYLER'S HERE SOMEWHERE BUT HE'S GOT ALL
12 OF HIS FINGERS AND ALL OF HIS TOES AND A LOT OF OTHER THINGS
13 CROSSED BECAUSE, IN ABOUT TWO WEEKS, HE SWITCHES OVER TO THIS
14 NEW FINANCIAL SYSTEM FOR THE COUNTY AND AN INCREDIBLE AMOUNT
15 OF TIME HAS BEEN SPENT BY COUNTY AND MONEY, ABOUT \$38 MILLION,
16 TO GIVE US A NEW FINANCIAL SYSTEM BUT IT WILL START PROVIDING
17 DATA THAT WE COULD NEVER GET BEFORE ON A REALTIME BASIS.
18 YOU'LL BE ABLE TO GO INTO BUDGETS AND FIND OUT HOW MONEY IS
19 BEING SPENT. SO WE'RE KEEPING OUR FINGERS CROSSED THAT THAT
20 WORKS ON JULY THE 1ST. \$150,000 FOR ANIMAL CONTROL, FIELD
21 OFFICERS IN ANTELOPE VALLEY, DANGEROUS DOGS PROBLEM. HALF A
22 MILLION, CHILDREN'S PLANNING COUNCIL, FOR THE SPAS. I
23 MENTIONED THE MARINA AND BEACHES A.C.O. FUND OF \$2 MILLION.
24 UNINCORPORATED AREA, CAPITAL PROJECTS, ADDITIONAL FUNDS AND
25 NEW FUNDS FOR LIBRARIES, I THINK, IN MOST DISTRICTS, IF NOT



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1 ALL DISTRICTS, I'M NOT SURE ABOUT THAT. I MENTIONED THE M.L.K.
2 MONEY. AND-- OKAY. LET ME MENTION THE HEALTH DEPARTMENT. WE
3 HAVE TWO LATER ITEMS ON THE HEALTH DEPARTMENT ALSO BUT YOU
4 WILL HAVE VOTED ON THIS BEFORE WE GET TO THEM. ONE OF THEM IS
5 A QUARTERLY STATUS REPORT. THE OTHER IS A REPORT BACK ON
6 RECOMMENDATIONS TO ADDRESS THE DEFICIT IN '06/'07. AS PART OF
7 THE CHANGE LETTER, WE'RE PROPOSING TO INCREASE THE COUNTY
8 GENERAL FUND CONTRIBUTION TO THE HEALTH DEPARTMENT BY \$125
9 MILLION A YEAR. PRIMARILY, ADDITIONAL PROPERTY TAX. THERE WAS
10 40 MILLION IN THE PROPOSED BUDGET, SO WE'RE INCREASING THAT BY
11 85. IT IS, YOU KNOW, UNQUESTIONABLY THE LARGEST COUNTY
12 CONTRIBUTION SINCE THE EARLY '90S, WHEN THE BOARD DEALT WITH
13 THE LAST HEALTHCARE CRISIS, DEALT WITH THE STATE'S RIPOFF OF
14 PROPERTY TAX, WHICH HIT THIS COUNTY PARTICULARLY HARD. THE
15 COUNTY LOST \$900 MILLION GENERAL FUND. \$125 MILLION IS A
16 SIGNIFICANT CONTRIBUTION. IT IS NOT ENOUGH. BUT THE PROPOSED
17 DEFICIT IN MARCH FOR '06/'07 WAS IN THE NEIGHBORHOOD OF \$435
18 MILLION BASED ON CERTAIN ASSUMPTIONS, AND THERE ARE A NUMBER
19 OF ASSUMPTIONS BUILT INTO THE ESTIMATES. WITH THE ADDITION OF
20 THE 125 MILLION, SHOULD YOU APPROVE IT, THE ESTIMATED
21 SHORTFALL FOR '06/'07 IS \$197 MILLION. SO IT HAS DROPPED BY
22 THAT-- BY OVER...
23



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1 **SUP. YAROSLAVSKY:** WHAT DOES THAT ASSUME, THE REMAINING DEFICIT
2 OF 197, WHAT DOES THAT ASSUME IN TERMS OF THE STATE FEDERAL
3 WAIVER ISSUE?

4

5 **C.A.O. JANSSEN:** IT DOES NOT ASSUME ANYTHING. IT ASSUMES--
6 WELL, LET ME SAY THIS A DIFFERENT WAY. THE REDUCTION ONLY
7 REFLECTS THE IMPACT OF THE 125 MILLION. NOW, OTHER ASSUMPTIONS
8 BUILT AROUND THE ENTIRE AMOUNT OF MONEY. NUMBER ONE, WE'RE
9 ASSUMING THAT THE FEDERAL GOVERNMENT DOES NOT REBASE THE
10 STATE'S WAIVER AND I THINK THE DEPARTMENT SCORED THAT IN ABOUT
11 A 124-MILLION-DOLLAR POTENTIAL IMPACT YEARLY. THAT WAS NOT IN
12 THE DEFICIT, IT WAS ONE OF THOSE, YOU KNOW, POTENTIAL THAT
13 WOULD RAISE IT TO \$2 BILLION SHORTFALL OVER FIVE YEARS. THE
14 CURRENT WAIVER DOES NOT REBASE. THE STATE HAS SUCCESSFULLY
15 RENEGOTIATED WITH C.M.S. NOT TO REBASE CALIFORNIA'S BASELINE.
16 THAT TAKES 124 MILLION OFF THE TABLE. THE ASSUMPTION...

17

18 **SUP. YAROSLAVSKY:** THAT ONE ISSUE, THEN, IS NO HARM, NO FOUL?

19

20 **C.A.O. JANSSEN:** EXACTLY.

21

22 **SUP. YAROSLAVSKY:** BECAUSE YOU ASSUMED THAT IT...

23

24 **C.A.O. JANSSEN:** RIGHT. IT WOULD HAVE BEEN WORSE HAD IT
25 HAPPENED. RIGHT. A SIMILAR INSTANCE IS TRUE WITH COMMUNITY



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1 BASED REIMBURSEMENT, C.B.R.C. IF THE STATE HAD NOT BUDGETED
2 STATE GENERAL FUND TO CONTINUE ITS CONTRIBUTION TO LOS ANGELES
3 THAT IT HAD BEEN MAKING FOR THE LAST FIVE YEARS AS PART OF THE
4 LAST WAIVER REQUIREMENT, THEY WOULD HAVE BEEN 60 TO \$70
5 MILLION A YEAR WORSE OFF, NOT IN THE FORECAST. THE GOVERNOR
6 INCLUDED IT IN MAY REVISE. SO WE THINK THOSE ARE TWO ISSUES
7 NOW, ASSUMING THE WAIVER DOES, IN FACT, GET FINALIZED, THAT
8 ARE NO LONGER OF CONCERN, AT LEAST FOR FIVE YEARS. NOW, THERE
9 ARE A COUPLE OTHER ISSUES AND ASSUMPTIONS THAT STILL ARE
10 THERE. ONE IS THAT WE CAN CLOSE RANCHO IN JUNE OF '06 AND THAT
11 WE CAN REDUCE THE MED CENTER BY A HUNDRED BEDS IN JUNE OF '06.
12 THOSE ARE NOT IN THE PROJECTED DEFICIT OF \$197 MILLION. THAT
13 DOESN'T LOOK AS PROMISING AS THE FEDERAL WAIVER. IF WE CAN'T
14 DO IT, THEN THE DEFICIT GOES FROM 197 TO ABOUT 297. NOW, ON
15 THE POSITIVE SIDE, THE NEW STATE PROPOSED WAIVER, WHICH HAS
16 NOT BEEN FINALIZED, STILL IN NEGOTIATIONS, HAS THE POTENTIAL
17 OF BRINGING MAYBE 50 MILLION A YEAR OF ADDITIONAL FUNDS INTO
18 THE HEALTH DEPARTMENT. THAT WOULD THEN REDUCE THE '06/'07
19 DEFICIT BY A HUNDRED MILLION. WE'VE TALKED FOR...

20

21 **SUP. YAROSLAVSKY:** BY A HUNDRED MILLION OR BY 50?

22

23 **C.A.O. JANSSEN:** 100 MILLION BECAUSE IT'S CUMULATIVE. IT'S
24 CUMULATIVE THE WAY THEY DO IT, IT'S CUMULATIVE, SO IF YOU ADD
25 50 ONGOING, IT TRANSLATES INTO-- THAT'S WHY OUR 125 TAKES OFF



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1 THE 250 MILLION IN THE SECOND YEAR. SINCE, REALLY, TOM SCULLY
2 WAS HERE IN NOVEMBER OF 2003, A MANAGED CARE RATE INCREASE HAS
3 BEEN DISCUSSED. THAT PROPOSAL IS IN SACRAMENTO NOW AWAITING
4 THE OUTCOME OF THE WAIVER, AWAITING THE OUTCOME OF OTHER
5 REQUESTS TO C.M.S. IT IS SOMETHING THAT WE HAVE BEEN URGING
6 THE STATE TO CONTINUE TO ADVANCE TO THE FEDERAL GOVERNMENT.
7 THAT HAS THE POTENTIAL, WITH THE NEW GENERAL FUND MATCH, OF
8 BRINGING IN ANOTHER \$50 MILLION A YEAR. SO YOU COULD TAKE
9 ANOTHER HUNDRED MILLION IN '06/'07 OFF THE DEFICIT. SO THE
10 REPORT, I THINK IT'S ITEM 16, WHICH, SUPERVISOR, WAS YOURS AND
11 WE DO NEED TO TALK ABOUT IT FOR ANOTHER REASON WHEN WE GET TO
12 IT, BUT ALL OF THOSE FACTORS ARE THE REASON WHY WE'RE NOT
13 RECOMMENDING THAT YOU MAKE SPECIFIC REDUCTIONS AT THIS TIME IN
14 THE HEALTH DEPARTMENT TO DEAL WITH AN '06/'07 SHORTFALL. WE
15 THINK THERE'S ENOUGH IN PLAY THAT WE CAN MITIGATE, NOT
16 ELIMINATE, WE'RE NOT EVEN CLOSE TO ELIMINATING WHAT IS AN
17 ONGOING STRUCTURAL PROBLEM BUT THE 125 IS A REAL DOWN PAYMENT
18 BY THE GENERAL FUND TO HELPING DEAL WITH WHAT IS A VERY
19 COMPLICATED STATE AND NATIONAL HEALTHCARE ISSUE. SO OF ALL OF
20 THE PIECES THAT ARE INCLUDED IN THE CHANGE LETTER, I THINK THE
21 ADDITION TO THE HEALTH BUDGET IS PROBABLY THE MOST SIGNIFICANT
22 ITEM BEFORE YOU AT THIS TIME. AND WE CAN TALK IN MORE DETAIL,
23 IF YOU WANT, ON THE QUARTERLY STATUS REPORT, WHICH IS ITEM 14,
24 AND THE POTENTIAL REDUCTIONS IN ITEM 16.

25



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1 **SUP. YAROSLAVSKY:** CAN I FOLLOW UP ON THIS? IF I CAN JUST
2 ADDRESS THE QUESTION TO BOTH YOU AND THE COUNTY COUNSEL.
3 YOU'VE BEEN ASKED TO DO A REPORT ON MARTIN LUTHER KING
4 HOSPITAL FOR THE BOARD AND REPORT TO THE BOARD ON, I BELIEVE
5 IT'S AUGUST THE 2ND OR SOMETHING LIKE THAT, ON THE ISSUE OF
6 CONTRACTING IT OUT. IS THAT-- RECOLLECT THAT?

7

8 **C.A.O. JANSSEN:** RIGHT. YES, THAT IS CORRECT.

9

10 **SUP. YAROSLAVSKY:** IS THERE ACTIVE WORK BEING DONE ON THAT
11 ISSUE?

12

13 **RAY FORTNER:** YES, MADAM CHAIR, SUPERVISOR YAROSLAVSKY, BOTH OF
14 OUR DEPARTMENTAL STAFFS, INCLUDING HEALTH SERVICES, ARE
15 LOOKING AT THE LEGAL ISSUES AND THE PROGRAMMATIC ISSUES IN
16 PUTTING THAT TOGETHER.

17

18 **C.A.O. JANSSEN:** LET ME ADD TO THAT. THE PROGRAMMATIC ISSUES,
19 WE HAVE BEEN-- AND TOM MENTIONED IT LAST TUESDAY, WE HAVE BEEN
20 TRYING TO FIND, AND ONCE WE BELIEVE WE FOUND A CONSULTANT THAT
21 HAS SOME EXPERTISE IN THIS AREA TO BRING THEM ON BOARD, THAT
22 STILL HASN'T HAPPENED BUT THERE HAVE BEEN NEGOTIATIONS WITH
23 TWO PROVIDERS, SIGNIFICANT PROVIDERS, THAT ARE INTERESTED IN
24 DISCUSSING THE POTENTIAL-- THEIR POTENTIAL INVOLVEMENT, IF YOU
25 WILL, IN M.L.K. SO WE DO ANTICIPATE IT MOST LIKELY WON'T BE



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1 THE 1ST WEEK OF AUGUST BUT DO ANTICIPATE HAVING, IN AUGUST,
2 SOME SERIOUS INFORMATION FOR YOU TO CONSIDER WHEN YOU DISCUSS
3 KING AT THAT TIME.

4

5 **SUP. YAROSLAVSKY:** YOU KNOW, JUST PARENTHETICALLY ON THAT
6 SUBJECT OF DISCUSSING IT WITH OTHER PROVIDERS, WHICH I THINK
7 WE'VE DISCUSSED AT THIS BOARD KIND OF OPENLY. THIS IS ONE OF
8 THOSE AREAS WHERE I THINK THE MORE WE'VE DISCUSSED IT, IN
9 TERMS OF SPECIFIC PROVIDERS, MY IMPRESSION, AND IT'S ONLY MY
10 GUT, BUT I HAVE A PRETTY GOOD NOSE FOR THIS STUFF, MY GUT IS
11 THAT THERE ARE PEOPLE TRYING TO UNDERMINE US WITH THOSE
12 PROVIDERS. SO WHEN THEY HEAR THAT ABC COMPANY IS BEING TALKED
13 TO, YOU KNOW, THERE'S A CAMPAIGN TO DISSUADE THE ABC COMPANY
14 FROM DOING IT, KIND OF LIKE WE HAD WITH THE CHICAGO INSTITUTE
15 OF REHABILITATION AND-- WHEN WE WERE TALKING ABOUT RANCHO
16 ABOUT A YEAR AGO. I JUST MENTION THAT, TAKE IT AS IT IS,
17 BECAUSE-- SO BACK TO THIS, THE REASON I RAISED THIS QUESTION
18 IN THE CONTEXT OF THIS ITEM, IS WHAT KIND OF-- AND I DON'T
19 THINK YOU'RE PREPARED TODAY, IF YOU ARE, FINE BUT I DOUBT IF
20 YOU ARE BUT, ON AUGUST 2ND, TO ALSO ACCOMPANY THE ISSUE OF THE
21 ANALYSIS-- THE LEGAL ANALYSIS, ALSO WHAT THE FINANCIAL
22 IMPLICATIONS ARE OF ANY COURSE WE TAKE AS WELL. I'M JUST
23 TRYING TO THINK OF YOUR-- THE VARIABLE-- WHAT ONE OF THE
24 VARIABLES IN YOUR 197 MILLION-DOLLAR DEFICIT HERE THAT COULD
25 GO UP OR DOWN. YOU KNOW, THIS HAS TO BE FACTORED INTO IT,



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1 WHETHER WE KEEP GOING THE WAY WE'RE GOING, WHICH IS OBVIOUSLY
2 RUNNING UP A BILL, OR WHETHER WE DECIDE TO GO ANOTHER WAY,
3 WHICH MAY OR MAY NOT RUN UP A BILL BUT THAT'S A QUESTION THAT
4 WE NEED TO HAVE ANSWERED.

5

6 **C.A.O. JANSSEN:** AND WE WILL CERTAINLY ADD THAT TO THE AUGUST
7 REPORT.

8

9 **SUP. YAROSLAVSKY:** THE 197-- THE 197-MILLION-DOLLAR FIGURE, IS
10 THAT AN '06/'07 FIGURE?

11

12 **C.A.O. JANSSEN:** YES, IT'S '06/'07. IT WAS 435 MILLION
13 SHORTFALL.

14

15 **SUP. YAROSLAVSKY:** AND WHAT IS IT IN '05/'06? IS THERE ANY
16 DEFICIT AT ALL?

17

18 **C.A.O. JANSSEN:** YES, THERE'S A DEFICIT NOW BECAUSE WE'RE USING
19 THE RESERVE, SO IT'S JUST A MATTER OF WHEN DOES THE RESERVE
20 RUN OUT.

21

22 **SUP. YAROSLAVSKY:** SO THE 197 IS A CUMULATIVE FIGURE IN
23 '06/'07?

24

25 **C.A.O. JANSSEN:** YES.



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1

2 **SUP. YAROSLAVSKY:** AND WHAT ARE THE COMPONENT PARTS OF THAT
3 CUMULATIVE FIGURE? DO YOU KNOW OFFHAND, ROUGHLY?

4

5 **C.A.O. JANSSEN:** WELL, CAN WE DISCUSS THAT UNDER THE QUARTERLY
6 STATUS REPORT? WHICH IS ITEM...

7

8 **SUP. YAROSLAVSKY:** SURE.

9

10 **C.A.O. JANSSEN:** BECAUSE THE DEPARTMENT CAN GO THROUGH THAT IN
11 GREAT DETAIL.

12

13 **SUP. MOLINA, CHAIR:** YEAH, THE DEPARTMENT'S GOING TO DO A FULL
14 REPORT, RIGHT?

15

16 **C.A.O. JANSSEN:** OR NOT. OR WE CAN DO IT NOW.

17

18 **SUP. YAROSLAVSKY:** NO, NO. I'M FINE WITH THAT. I JUST WANT TO
19 KNOW THE ANSWER TO A NUMBER OF THESE FINANCIAL QUESTIONS
20 BEFORE...

21

22 **C.A.O. JANSSEN:** WELL, THEN, MAYBE WE OUGHT TO DO IT NOW,
23 BECAUSE 8 BECOMES-- COMES BEFORE, SO WHY DON'T WE HAVE THAT
24 DISCUSSION NOW?

25



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1 **SUP. MOLINA, CHAIR:** BEFORE YOU APPROVE THESE ITEMS, THE CHANGE
2 ITEMS?

3

4 **C.A.O. JANSSEN:** YEAH.

5

6 **SUP. MOLINA, CHAIR:** IS THAT CORRECT, MR. YAROSLAVSKY?

7

8 **SUP. YAROSLAVSKY:** THAT'S FINE WITH ME. WHATEVER YOU'D LIKE,
9 MADAM CHAIR.

10

11 **SUP. MOLINA, CHAIR:** ALL RIGHT.

12

13 **C.A.O. JANSSEN:** THE DEPARTMENT IS HERE.

14

15 **SUP. MOLINA, CHAIR:** DO YOU WANT TO PUT THIS ON THE TABLE? DO
16 WE GO THROUGH THE REST OF THE ITEMS?

17

18 **C.A.O. JANSSEN:** WE CAN-- YEAH. WE CAN DO THAT.

19

20 **SUP. KNABE:** CAN I JUST ASK A QUESTION IN REGARDS... THE \$125
21 MILLION, DAVID, SUBSIDY, IS THAT GOING TO BE DISCUSSED ON AN
22 ANNUAL BASIS, OR, I MEAN, IS THAT ONGOING?

23

24 **C.A.O. JANSSEN:** IT'S ONGOING. IF-- YES, IT'S ONGOING AND IT
25 CERTAINLY WILL BE DISCUSSED EVERY YEAR JUST AS PART OF THE



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1 BUDGET PROCESS BUT IT'S PROPERTY TAX, BASICALLY, SO IT'S REAL
2 MONEY.

3

4 **SUP. YAROSLAVSKY:** MADAM CHAIR, BEFORE WE GET TO-- THE OTHER
5 ITEM THAT YOU WANT TO DISCUSS, IS THAT A BUDGET REPORT FROM
6 THE HEALTH DEPARTMENT?

7

8 **SUP. MOLINA, CHAIR:** YES. IT'S ITEM NUMBER 14.

9

10 **C.A.O. JANSSEN:** IT'S THE QUARTERLY STATUS REPORT. DO YOU WANT
11 TO HOLD THAT, THEN?

12

13 **SUP. YAROSLAVSKY:** NO, I JUST-- I HAVE OTHER BUDGET QUESTIONS.
14 I'LL WAIT UNTIL GARTHWAITE AND HIS FOLKS...

15

16 **SUP. MOLINA, CHAIR:** OKAY. BUT YOU DON'T WANT TO APPROVE THIS,
17 YOU WANT TO HOLD THIS ITEM?

18

19 **SUP. YAROSLAVSKY:** I'D RATHER-- I'D RATHER KNOW WHAT I'M VOTING
20 ON.

21

22 **SUP. MOLINA, CHAIR:** THESE ARE ALL THE CHANGES. ALL RIGHT. WE
23 WILL HOLD THAT ITEM, THEN.

24

25 **SUP. BURKE:** I JUST WANT TO ASK ONE QUESTION.



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1

2 **SUP. MOLINA, CHAIR:** SURE.

3

4 **SUP. BURKE:** WE WENT FROM 435 TO 197. I UNDERSTOOD THE 125. I
5 WASN'T SURE WE-- THERE WERE A NUMBER OF FIGURES THAT WERE
6 DISCUSSED BUT IT WASN'T CLEAR TO ME WHETHER THEY CAME FROM
7 THAT 435 TO BRING IT DOWN TO THE 197. ONE WAS THE 200,000
8 WAIVER AND THE OTHER, THE 60 MILLION-- 200 MILLION OR THE 60
9 MILLION-- WHAT WERE THE NUMBERS THAT WERE INCLUDED TO BRING
10 THAT FROM THE 435 TO THE 197?

11

12 **C.A.O. JANSSEN:** WHY DON'T WE WE...

13

14 **SUP. MOLINA, CHAIR:** IS THIS-- YOU'RE TALKING, AGAIN, ABOUT THE
15 DEPARTMENT OF HEALTH SERVICES?

16

17 **C.A.O. JANSSEN:** RIGHT. SIMILAR ISSUES AS ZEV IS RAISING.

18

19 **SUP. BURKE:** JUST WHAT HE SAID-- WENT THROUGH JUST A MOMENT
20 AGO.

21

22 **C.A.O. JANSSEN:** WHY DON'T WE JUST DO IT NOW? LET'S DO IT NOW.

23

24 **SUP. MOLINA, CHAIR:** ALL RIGHT. WE HAVE A NUMBER-- OKAY. LET'S
25 DO ITEM NUMBER 14, WHICH IS THE FINANCIAL STATUS OF THE



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1 DEPARTMENT OF HEALTH SERVICES. DR. GARTHWAITE, WHY DON'T WE GO
2 THROUGH THAT DISCUSSION NOW. THERE SEEMS TO BE-- IT WOULD BE
3 MORE CONTINUOUS, HAVE MORE CONTINUITY. THIS IS NOW ITEM 14.

4

5 **DR. THOMAS GARTHWAITE:** THANK YOU VERY MUCH. I THINK MR.
6 JANSSEN PROVIDED THE OVERVIEW VERY WELL, SO SOME OF THE THINGS
7 I WAS GOING TO SAY, I THINK HE COVERED VERY WELL. I THINK THAT
8 THE PIECE THAT I HEAR YOU ASKING QUESTIONS ABOUT IS WORTH
9 GOING OVER THOUGH. THAT IS ATTACHMENT B OF OUR REPORT.

10

11 **SUP. MOLINA, CHAIR:** ALL RIGHT.

12

13 **DR. THOMAS GARTHWAITE:** IF EVERYONE CAN FIND THAT. AND THIS IS
14 THE SUMMARY OF CHANGES IN OUTLOOK AND THIS REALLY IS HOW I
15 THINK IT'S EASIEST TO TRACK THE DIFFERENCES AND IT DETAILS ALL
16 THE MINOR AND MAJOR DIFFERENCES BETWEEN OUR PREVIOUS REPORT OF
17 OUR ESTIMATED YEAR-END BALANCE AND OUR CURRENT ONE, WHICH IS
18 ON LINE 19. AND THE MAJOR PIECES ARE, OBVIOUSLY, LINE 2, WHICH
19 IS THE YET TO BE VOTED ON ADDITIONALLY \$125 MILLION A YEAR.
20 AND THEN THE LINE 12 WHERE THE CAPITAL PROJECT PIECE HAS BEEN
21 PULLED OUT OF OUR BUDGET AND DONE SEPARATELY. SO THOSE TWO
22 PIECES ARE WHAT MAKES THE DIFFERENCE BETWEEN 7.9 IN THE YEAR
23 '05/'06 AND THE 154.2, ALONG WITH SOME OTHER SMALLER CHANGES.
24 THE OTHER MAJOR CHANGE WE SHOULD POINT OUT IS AN INCREASED USE
25 OF NURSE REGISTRY. AS WE REPORTED HERE MANY TIMES, WE'VE HAD



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1 EXTREME DIFFICULTY ATTRACTING AND RETAINING NURSES AND THIS
2 REFLECTS OUR INCREASED USE OF NURSE REGISTRY. IN '06/'07,
3 SUPERVISOR BURKE, YOU SEE AT THE TOP THE 435.4 WAS OUR
4 PREVIOUS AND, WHEN YOU ADD ALL THE POSITIVES AND NEGATIVES
5 TOGETHER, YOU COME UP WITH THE MINUS 197 DIFFERENCE. SO THAT'S
6 PRIMARILY THE DIFFERENCE RELATES TO THE ADDITIONAL \$250
7 MILLION THAT'S ADDED IN.

8

9 **SUP. BURKE:** THE BIGGEST ONE BEING FORECAST IMPROVEMENT-- THE
10 BIGGEST ONE BEING THE 140.3 MILLION FORECAST IMPROVEMENT
11 REDUCTION ROLL FORWARD. IS THAT-- THAT'S THE BIG ONE THERE?
12 BECAUSE THE OTHERS ARE FAIRLY SMALL AMOUNTS.

13

14 **DR. THOMAS GARTHWAITE:** NO, I THINK THAT-- I THINK, I BELIEVE
15 THAT'S THE SUM OF ALL THE-- OF ALL THE LINES BETWEEN THE FIRST
16 LINE AND THE FINAL LINE. THAT'S THE NET OF ALL-- THE NET
17 DIFFERENCE, IF I'M NOT MISTAKEN. I'LL HAVE TO LOOK AT THAT. I
18 MAY BE WRONG.

19

20 **SUP. BURKE:** I DON'T THINK I FOLLOW IT.

21

22 **SUP. MOLINA, CHAIR:** AGAIN. YOU WERE ASKING ABOUT THE 197 IN
23 '06/'07? IT'S COLUMN 3.

24



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1 **SUP. BURKE:** RIGHT. AND WHAT I'M SAYING IS THAT, WHEN I ADD UP
2 ALL THE-- WE HAVE THE 125 AND WE HAVE 9, 8, 4, 3 AND THEN WE
3 HAVE TAKEN FROM THAT 2310...

4

5 **DR. THOMAS GARTHWAITE:** THE 146 IS...

6

7 **SUP. BURKE:** 46. I'M SORRY. I DIDN'T READ IT RIGHT.

8

9 **DR. THOMAS GARTHWAITE:** OH, YOU'RE TALKING LINE 18. BECAUSE WE
10 NOW, INSTEAD OF HAVING 7.9 IN '05/'06, WE HAVE 154.6 IN
11 '05/'06. WE CAN BRING THAT DIFFERENCE FORWARD INTO THE NEXT
12 YEAR.

13

14 **SUP. BURKE:** I SEE. ALL RIGHT.

15

16 **DR. THOMAS GARTHWAITE:** THAT'S WHERE THAT COMES FROM.

17

18 **C.A.O. JANSSEN:** SO THIS IS CLEARLY ONE OF THE MOST COMPLICATED
19 BUDGETS THAT THE COUNTY HAS.

20

21 **SUP. MOLINA, CHAIR:** THE OTHER DAY HE DID A GREAT PRESENTATION.
22 I WAS THERE ON FRIDAY. HE HAD THE CHARTS AND EVERYTHING. AND
23 THEN HE COMES HERE AND-- YOU CONFUSE US, DR. GARTHWAITE. NOW,
24 THIS IS...

25



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1 **SUP. BURKE:** OKAY. THAT'S GOING FORWARD. I SEE IT NOW.

2

3 **SUP. MOLINA, CHAIR:** DO YOU UNDERSTAND IT? OKAY.

4

5 **SUP. BURKE:** I SEE IT NOW.

6

7 **SUP. MOLINA, CHAIR:** WE JUST NEED IT WITH THAT LITTLE LINE ON
8 IT, AS YOU DID IT...

9

10 **DR. THOMAS GARTHWAITE:** THAT'S MY SIMPLIFIED VERSION FOR
11 MYSELF.

12

13 **SUP. MOLINA, CHAIR:** OH, OKAY. WELL, MAYBE THAT'S WHAT WE NEED
14 IS THE SIMPLIFIED VERSION. SUPERVISOR YAROSLAVSKY, YOU HAD
15 ADDITIONAL QUESTIONS.

16

17 **SUP. YAROSLAVSKY:** THEY WERE FINANCIAL QUESTIONS. DO YOU WANT
18 TO ANSWER THEM, WANT TO GIVE IT A SHOT?

19

20 **DR. THOMAS GARTHWAITE:** I CAN TRY. GARY'S ON HIS WAY. HE WAS
21 TRYING TO TIME IT FOR...

22

23 **C.A.O. JANSSEN:** WELL, SHEILA'S HERE. WE HAD-- SHEILA, COME UP
24 HERE.

25



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1 **SUP. MOLINA, CHAIR:** DID MEMBERS HAVE OTHER QUESTIONS ON THIS?

2 OH, OKAY. YOU DO HAVE IT. I'M SORRY.

3

4 **SUP. YAROSLAVSKY:** GO AHEAD. GO AHEAD.

5

6 **SUP. ANTONOVICH:** MR. JANSSEN, ON THE RISK MANAGEMENT TAKEOVER
7 MEDICAL MALPRACTICE. QUESTION I JUST HAVE.

8

9 **C.A.O. JANSSEN:** YEAH, WE'RE ON ITEM 8. NUMBER 1.

10

11 **SUP. ANTONOVICH:** IF OCTAGON HAD BEEN A POOR CONTRACTOR FOR THE
12 LAST 25 YEARS, WHY WERE THEY GIVEN THE CONTRACT TO OPERATE IN
13 THE FIRST PLACE?

14

15 **C.A.O. JANSSEN:** WHEN WE-- WHEN WE WENT-- IF I UNDERSTAND YOUR
16 QUESTION, WHEN WE BID THIS LAST TIME, WE ONLY HAD ONE BIDDER
17 AND THEIR CONTRACT IS UP IN DECEMBER OF THIS YEAR, AND WE'RE
18 ANTICIPATING A SIGNIFICANT INCREASE BECAUSE THE NATURE OF THE
19 MARKET IS SUCH THAT THEY'RE DOMINATING IT. SO WE THINK THAT
20 TAKING IT IN-HOUSE IS A BETTER SOLUTION AND THAT'S WHAT ITEM 1
21 WOULD DO.

22

23 **SUP. ANTONOVICH:** SO, FOR THE PAST-- DURING THE PAST 25 YEARS
24 WHEN THE CONTRACT WAS RENEWED, THERE HAD ONLY BEEN ONE BIDDER?

25



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **C.A.O. JANSSEN:** OH, I'M NOT-- I JUST REFERRED TO THE LAST ONE.

2 I'M NOT SURE ABOUT THE FIRST 20 YEARS OR SO.

3

4 **SUP. ANTONOVICH:** IS THERE A WAY OF CHECKING TO SEE IF THERE
5 WERE OTHER VENDORS?

6

7 **C.A.O. JANSSEN:** YES, MM HM.

8

9 **SUP. ANTONOVICH:** I MEAN, IF A COMPANY IS NOT DOING WELL, THEY
10 SHOULDN'T HAVE THE OPPORTUNITY OF HAVING A CONTRACT. I AGREE
11 WITH YOU ON THAT.

12

13 **C.A.O. JANSSEN:** OKAY. YES, WE CAN CERTAINLY DO THAT. AND YOUR
14 MOTION HERE, TO DEFER CONSIDERATION UNTIL...

15

16 **SUP. ANTONOVICH:** AUGUST 2ND.

17

18 **C.A.O. JANSSEN:** WE'RE FINE WITH THAT. IF YOU MAKE IT THE
19 SECOND WEEK IN AUGUST.

20

21 **SUP. KNABE:** WELL, I MEAN, I HAVE SOME CONCERN WITH THAT MOTION
22 BECAUSE, I MEAN, THAT GOES BACK TO THE TURF ISSUES THAT WE
23 WERE TALKING ABOUT EARLIER. I JUST WANT TO MAKE SURE THAT...

24



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **C.A.O. JANSSEN:** NO, WE'RE ALL TOGETHER ON THIS. AND WE THINK
2 IT'S GOING TO TAKE SOME TIME, OBVIOUSLY, TO HIRE AND GET
3 GOING. SO, IF IT'S IN AUGUST, YOU KNOW, THAT'S-- EVEN EARLIER,
4 WE PROBABLY COULD COME BACK SOMETIME IN JULY, I THINK.

5

6 **SUP. ANTONOVICH:** MR. GARTHWAITE, DO YOU THINK THE ADDITIONAL
7 RESPONSIBILITY, ANY CONCERNS ON HAVING THE DEPARTMENT ASSUME
8 THAT?

9

10 **DR. THOMAS GARTHWAITE:** YEAH, OUR-- WE AGREE WITH THE C.A.O. IN
11 THE SENSE THAT WE BELIEVE THAT IT-- WE COULD GET MORE VALUE.
12 WE'VE EXPRESSED OUR CONCERNS THAT-- PRIMARILY, THAT IT'S GOING
13 TO BE A CHALLENGE TO HIRE ALL THE INDIVIDUALS AND GET THEM UP
14 AND GET THEM TRAINED. SO WE'RE VERY CONCERNED ABOUT THE
15 TRANSITION AND HOW THAT'S MANAGED BUT WE'RE WILLING TO WORK
16 TOWARDS A BETTER SOLUTION IN THE LONG RUN.

17

18 **SUP. ANTONOVICH:** DO YOU THINK, MR. JANSSEN, IN JULY, YOU'D
19 HAVE...

20

21 **C.A.O. JANSSEN:** YES. WE CAN REPORT BACK IN JULY, SUPERVISOR.

22

23 **SUP. ANTONOVICH:** THANK YOU.

24



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **SUP. MOLINA, CHAIR:** ALL RIGHT. IS THERE A PROBLEM WITH THAT,
2 SUPERVISOR KNABE? OKAY. ALL RIGHT. SUPERVISOR YAROSLAVSKY, DO
3 YOU WANT TO CONTINUE WITH YOUR QUESTIONS?

4

5 **SUP. YAROSLAVSKY:** YEAH. ON THE-- WHAT IS THE ANALYSIS THAT
6 YOU'VE DONE ON THE MEASURE B FUNDS THAT WE HAVE NOT RAISED
7 THOSE NOW-- THIS IS THE SECOND YEAR, WE'RE INTO THE SECOND
8 YEAR OF MEASURE B. AND I'M JUST TRYING TO UNDERSTAND THE-- I'D
9 LIKE TO KNOW WHAT THE OPTIONS ARE. YOU MAY NOT KNOW THIS. WHAT
10 THE DEADLINE IS TO ACT ON THAT, HOW MUCH CAPACITY WE HAVE IN
11 THE CONTEXT OF THE BUDGET DEFICIT-- IS GARY THE ONE...

12

13 **DR. THOMAS GARTHWAITE:** GARY WOULD KNOW. I BELIEVE GARY WOULD
14 KNOW THAT ANSWER. I KNOW HE COULD GET THAT ANSWER.

15

16 **SUP. YAROSLAVSKY:** WELL, I KNOW WE'VE ASKED THAT IN THE PAST.
17 THE ASSESSOR PROBABLY COULD TELL YOU WHAT THE DEADLINE IS.
18 EARLY FALL?

19

20 **C.A.O. JANSSEN:** I THINK IT'S-- IT SEEMS TO ME IT'S AUGUST TO
21 GET ON THE ROLLS.

22

23 **SUP. MOLINA, CHAIR:** AND THIS IS THE DEADLINE FOR WHAT?

24



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **C.A.O. JANSSEN:** IT'S TO GET ON THE PROPERTY TAX ROLLS, THAT'S
2 WHAT WE'RE SHOOTING FOR, BECAUSE THIS IS A PROPERTY TAX PARCEL
3 ASSESSMENT SO...

4

5 **SUP. YAROSLAVSKY:** AUGUST IS, LIKE, MID-SUMMER, NOT EARLY FALL.

6

7 **C.A.O. JANSSEN:** GARY, DO YOU KNOW THE DEADLINE FOR GETTING THE
8 MEASURE B?

9

10 **GARY WELLS:** IT'S IN AUGUST AND I HAVE STAFF CURRENTLY WORKING
11 ON LOOKING AT WHAT THE NEEDS ARE TO COME BACK TO THE BOARD
12 WITH AS TO WHETHER IT MAKES SENSE TO ASK FOR AN INCREASE.

13

14 **SUP. YAROSLAVSKY:** AND THERE'S-- DO YOU KNOW WHAT THE-- WHAT
15 THE POTENTIAL IS? IS THE INDEX, WHATEVER THE INDEX WE USE, THE
16 SOUTHERN CALIFORNIA MEDICAL _____ INDEX?

17

18 **GARY WELLS:** YEAH, IT'S THE MEDICAL CPI AND IT'S ALSO I KNOW
19 THAT WE DIDN'T ASK FOR AN INCREASE LAST TIME. THE BOARD COULD
20 ASK FOR A CUMULATIVE INCREASE, IN OTHER WORDS, A CATCH-UP
21 INCREASE. I DON'T, OFF THE TOP OF MY HEAD, KNOW WHAT
22 PERCENTAGE THAT IS. I'M GUESSING IT'S PROBABLY 10 TO 20-
23 MILLION-DOLLAR INCREASE OVER THE CURRENT LEVEL, WHICH I THINK
24 IS ABOUT 100...

25



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **SUP. YAROSLAVSKY:** FOR BOTH YEARS?

2

3 **GARY WELLS:** YEAH, YOU CAN'T GO BACK RETROACTIVELY. YEAH, IF
4 YOU ADD THE PERCENTAGES FOR EACH YEAR FROM WHERE IT IS NOW,
5 YES, FOR BOTH YEARS IN TERMS OF THE PERCENTAGE INCREASE AND
6 YOU GET...

7

8 **SUP. YAROSLAVSKY:** EXPLAIN THIS.

9

10 **SUP. KNABE:** WE CAN DOUBLE UP HERE, IS THAT WHAT YOU'RE ASKING?

11

12 **SUP. YAROSLAVSKY:** NO.

13

14 **GARY WELLS:** I'M SAYING THAT, THE WAY IT'S WRITTEN, YOU CAN
15 EXERCISE THE INCREASE...

16

17 **SUP. YAROSLAVSKY:** IF YOU DON'T RAISE IT ONE YEAR...

18

19 **GARY WELLS:** YOU CAN ADD THAT TO THE INCREASE OF THE NEXT YEAR.
20 WHAT YOU CAN'T DO IS GO BACK AND RECAPTURE THE REVENUE FOR THE
21 FIRST YEAR YOU DIDN'T RAISE IT.

22

23 **SUP. YAROSLAVSKY:** RIGHT. ONCE YOU HAVEN'T COLLECTED IT, IT'S
24 LOST, YOU DON'T COLLECT IT.

25



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **GARY WELLS:** RIGHT.

2

3 **SUP. YAROSLAVSKY:** BUT IF YOU WERE ENTITLED TO 10 MILLION IN
4 THE FIRST YEAR, MAXIMUM, AND 10 MILLION IN THE SECOND YEAR,
5 YOU COULD COLLECT 20 MILLION IN THE SECOND YEAR? WHAT YOU
6 CAN'T COLLECT IS THE FIRST 10 MILLION SO WHEREAS YOU WOULD
7 HAVE HAD 30, YOU NOW HAVE 20?

8

9 **GARY WELLS:** RIGHT.

10

11 **SUP. YAROSLAVSKY:** AND IT'S BASED ON THE INFLATION RATE OF THE
12 FIRST YEAR? IN THE FIRST 10 MILLION...

13

14 **GARY WELLS:** BASED ON THE INFLATION RATE FOR THE TWO MOST
15 RECENT ANNUAL PERIODS THAT WOULD APPLY TO THE BASE. SO IF
16 THERE'S A DIFFERENT INFLATION RATE DURING THE SECOND YEAR, YOU
17 WOULD BASICALLY COMPOUND THOSE TWO NUMBERS TO COME UP WITH THE
18 INFLATION RATE THAT YOU'RE USING IN THE SECOND YEAR.

19

20 **SUP. YAROSLAVSKY:** COMPOUND THEM OR AVERAGE THEM?

21

22 **GARY WELLS:** I THINK IT'S COMPOUNDING THEM.

23

24 **SUP. YAROSLAVSKY:** WELL, WHAT DOES THAT MEAN? IF IT'S 10
25 PERCENT EACH YEAR...



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1

2 **GARY WELLS:** WELL, OKAY, SAY IF YOU HAVE FIVE PERCENT ONE YEAR
3 AND FIVE PERCENT THE NEXT YEAR, THAT ISN'T 10%, IT'S 105%
4 TIMES 105%, WHICH IS MAYBE 11%.

5

6 **SUP. YAROSLAVSKY:** OH, I SEE.

7

8 **GARY WELLS:** I BELIEVE THAT'S THE WAY IT WORKS.

9

10 **SUP. YAROSLAVSKY:** COULD YOU...

11

12 **SUP. KNABE:** BETTER CHECK THAT ONE OUT.

13

14 **SUP. YAROSLAVSKY:** COULD YOU GET US A MEMO ON THAT?

15

16 **GARY WELLS:** YEAH. WELL, GIVEN THAT IT'S ONLY BEEN GOING FOR
17 TWO YEARS, THE COMPOUNDING IS NOT GOING TO MAKE THAT BIG A
18 DIFFERENCE BUT...

19

20 **SUP. YAROSLAVSKY:** SO YOUR 10 TO 20-MILLION-DOLLAR FIGURE IS
21 BASED ON TWO YEARS' WORTH OF COLLECTIONS?

22

23 **GARY WELLS:** WELL, OKAY, LET'S SEE. IT'S \$170 MILLION. I'M
24 GUESSING THAT THE MEDICAL C.P.I. IS SOMEWHERE AROUND 5 TO 6%.



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 5% OF 170 MILLION IS 8.5 MILLION. IF YOU DOUBLE THAT, IT'S
2 ABOUT \$17 MILLION.

3

4 **SUP. YAROSLAVSKY:** AND YOU THINK IT'S THAT LOW, THE INFLATION
5 RATE IS THAT LOW...

6

7 **GARY WELLS:** IT HAS BEEN LOWER IN RECENT YEARS THAN IT HAD
8 BEEN, SAY, DURING THE '80S AND, OF COURSE, THE GENERAL
9 INFLATION RATE HAS BEEN EVEN LOWER THAN THAT. MORE LIKE...

10

11 **SUP. YAROSLAVSKY:** SO JUST OUT OF CURIOSITY, IF THAT, MR.
12 JANSSEN, IF THAT WERE MAXED OUT, I DON'T KNOW IF YOU HAVE A
13 NUMBER ON THAT, WHAT DOES THAT DO TO YOUR DEFICIT IN THE
14 DEPARTMENT?

15

16 **C.A.O. JANSSEN:** IT WOULD...

17

18 **SUP. YAROSLAVSKY:** LET'S ASSUME IT'S 8-1/2 MILLION-- LET'S SAY
19 IT'S 17 MILLION.

20

21 **C.A.O. JANSSEN:** THAT WOULD 34 MILLION OFF OF THE '06/'07
22 DEFICIT. IT'S AN IMPORTANT PIECE OF THE PUZZLE. AND THE ONLY
23 WAY TO EVER GET ON TOP OF THE HEALTH DEPARTMENT, SHORT OF
24 CHANGING THE HEALTH SYSTEM, IS TO DO IT IN INCREMENTS,



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 DIFFERENT PLACES, DIFFERENT PIECES, REDUCTIONS IN SERVICES
2 WHICH...

3

4 **SUP. YAROSLAVSKY:** AND WHAT IS THE TOBACCO RESERVE LOOKING LIKE
5 NOW?

6

7 **C.A.O. JANSSEN:** TOBACCO RESERVE, AT THE END OF '05/'06, I
8 THINK WILL BE IN THE NEIGHBORHOOD OF 300 MILLION.

9

10 **SUP. YAROSLAVSKY:** YOU'RE USING SOME OF THAT THIS TIME?

11

12 **C.A.O. JANSSEN:** WE'RE ONLY USING IT AS A BACKSTOP. THE STATE
13 REIMBURSEMENT FOR C.B.R.C., THE AUDITOR, IS HOLDING BECAUSE OF
14 THE UNCERTAINTY AND SO WE HAVE HEALTH DESIGNATION SET ASIDE
15 FOR THAT PURPOSE. WE NEED TO USE THE HEALTH DESIGNATION IN THE
16 BUDGET, SO WE'RE SIMPLY USING TOBACCO RESERVES TO BACKSTOP...

17

18 **SUP. YAROSLAVSKY:** HOW MUCH ARE YOU USING?

19

20 **C.A.O. JANSSEN:** 126 MILLION.

21

22 **SUP. YAROSLAVSKY:** AND THAT STILL LEAVES YOU 300 MILLION?

23



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **C.A.O. JANSSEN:** NO, THAT WOULDN'T. YOU WOULD TAKE THAT OFF BUT
2 IT WILL BE AVAILABLE NEXT YEAR, WE BELIEVE. THE STATE WILL
3 PAY. IT'S JUST A MATTER OF TIMING.

4

5 **SUP. YAROSLAVSKY:** AND THEN THERE'S THE TOBACCO RESERVE
6 CONTINUES TO GET REPLENISHED AT WHAT RATE DOES IT GET
7 REPLENISHED?

8

9 **C.A.O. JANSSEN:** WE'RE SPENDING ABOUT A HUNDRED MILLION A YEAR
10 IN THE DEPARTMENT'S BUDGET AND WE GET...

11

12 **GARY WELLS:** YEAH, IT'S RUNNING AT ABOUT A HUNDRED TO 105
13 MILLION DOLLARS ON THE INCOME SIDE OR THE REVENUE SIDE AND,
14 EVEN THOUGH WE'RE BUDGETING AT A HUNDRED, WE'RE PROBABLY ONLY
15 ACTUALLY SPENDING MAYBE AROUND 85.

16

17 **C.A.O. JANSSEN:** SO IT'S GROWING ABOUT 20 MILLION A YEAR.

18

19 **SUP. YAROSLAVSKY:** SO WHEN YOU STARTED THIS EXERCISE, YOUR
20 '06/'07 BUDGET DEFICIT WAS PROJECTED TO BE 400 AND WHAT? 435?
21 \$435 MILLION?

22

23 **C.A.O. JANSSEN:** CORRECT.

24

25 **SUP. YAROSLAVSKY:** SO YOU SLIGHTLY MORE THAN CUT IT IN HALF.



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1

2 **C.A.O. JANSSEN:** RIGHT.

3

4 **SUP. YAROSLAVSKY:** WITH-- WITH THIS, ASSUMING EVERYTHING ELSE--
5 ASSUMING NOTHING ELSE GOES WRONG.

6

7 **C.A.O. JANSSEN:** RIGHT.

8

9 **SUP. YAROSLAVSKY:** BECAUSE YOU'VE MADE-- YOU'VE MADE-- ALL THE
10 ASSUMPTIONS YOU'VE MADE ARE MORE OR LESS, WITH ONE OR TWO
11 EXCEPTIONS, STATUS QUO AND YOU'RE SAYING THAT YOU THINK THAT'S
12 GOING TO HOLD.

13

14 **C.A.O. JANSSEN:** RIGHT, THAT IS CORRECT. RIGHT.

15

16 **SUP. YAROSLAVSKY:** AND THEN, IF YOU GET A BREAK OR TWO, IT WILL
17 HELP YOU AND, IF YOU GET A BAD BREAK OR TWO, IT WILL HURT YOU.

18

19 **C.A.O. JANSSEN:** RIGHT.

20

21 **SUP. YAROSLAVSKY:** SO YOU'RE STILL FACING A POTENTIAL 200-
22 MILLION-DOLLAR...

23

24 **C.A.O. JANSSEN:** SHORTFALL IN '06/'07.

25



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **SUP. YAROSLAVSKY:** ...SHORTFALL, WHICH IS A PRETTY GOOD
2 ASSUMPTION, WHETHER-- GIVE OR TAKE \$50 MILLION, ASSUMING NO
3 OTHER REVENUES COME INTO THE PICTURE AND WE DON'T KNOW YET
4 WHAT THE M.L.K. HOSPITAL SITUATION IS GOING TO MEAN.

5

6 **C.A.O. JANSSEN:** RIGHT.

7

8 **SUP. YAROSLAVSKY:** ALL RIGHT.

9

10 **C.A.O. JANSSEN:** ON ITEM NUMBER 16, AS LONG AS WE'VE-- THIS IS
11 SIMPLY THE REPORT ON OUR RECOMMENDATIONS. I THINK THIS WAS
12 YOUR REQUEST, SUPERVISOR, IN MARCH OF A PLAN. THERE IS SIMPLY
13 AN ATTACHMENT OF OPTIONS. THIS IS NOT A SCENARIO 2, 3, FOR
14 DISCUSSION. I'M ON ITEM 16, THE LAST PAGE. IF YOU'RE GOING TO
15 MAKE FURTHER-- IF AND WHEN WE MAKE FURTHER CUTS IN THE
16 DEPARTMENT, WHAT THIS IS SAYING IS THESE ARE THE PLACES THAT
17 WOULD BE, I GUESS, AVAILABLE TO REDUCE AND THIS IS ABOUT HOW
18 MUCH YOU WOULD SAVE BY DOING IT. AND IT'S-- OF A 3-BILLION-
19 DOLLAR BUDGET, IT'S ONLY \$300 MILLION, WHICH, YOU KNOW,
20 DEMONSTRATES HOW COMPLEX THEIR BUDGET IS. AND, AGAIN, IT'S
21 JUST A LIST OF-- IT'S NOT A RECOMMENDATION AT THIS TIME.

22

23 **SUP. YAROSLAVSKY:** RIGHT. WELL AND THAT-- AND THOSE AREN'T THE
24 ONLY OPTIONS YOU HAVE. YOU HAVE A RESERVE OF \$300 MILLION, YOU
25 HAVE ALL KINDS OF MONEY LAYING AROUND AND, IF YOU HAD TO, YOU



The Meeting Transcript of
The Los Angeles County Board of Supervisors

1 COULD PRIORITIZE AND YOU HAVE THE POTENTIAL, MODEST POTENTIAL
2 FOR MEASURE B, BUT YOU'RE NOT THERE. WHAT IS THE BEST CASE
3 SCENARIO YOU COULD CONCEIVE OF AFTER THIS WAIVER ISSUE IS
4 RESOLVED? WHAT IS THE BEST SCENARIO WE COULD FIND OURSELVES
5 IN? WHAT IS THE BEST UPSIDE SCENARIO?

6

7 **C.A.O. JANSSEN:** I THINK IT PROBABLY IS STILL THE 50-MILLION-
8 DOLLAR FIGURE. THERE'S \$671 MILLION OF POTENTIAL NEW MONEY.
9 180 MILLION OF THAT IS TIED TO THE STATE IMPLEMENTING MANAGED
10 CARE FOR AGED, BLIND AND DISABLED. THAT MAY HURT US, ACTUALLY,
11 IF WE WERE TO LOSE SOME OF THAT CLIENTELE. IF THEY WERE ABLE
12 TO CONSTRUCT IT IN A DIFFERENT WAY, IT MAY BE ABLE TO HELP US
13 BUT WE'RE ASSUMING ZERO. ANOTHER 265 MILLION IS FOR THE
14 PRIVATE SECTOR AND 226 MILLION IS WHAT WOULD BE AVAILABLE FOR
15 PUBLIC HOSPITALS, D.H.S. HOSPITALS AND IT'S OF THAT 226 WE'RE
16 ASSUMING THAT WE COULD ACCESS MAYBE 50 MILLION IF CERTIFIED
17 PUBLIC EXPENDITURES WORK AND, YOU KNOW, THE FLOODS DON'T RISE
18 AND ALL THAT GOOD STUFF BUT THAT'S IT.

19

20 **SUP. YAROSLAVSKY:** OKAY. SO THE 125 YOU'RE PROPOSING TO PUT IN
21 HERE NOW IS ON TOP OF HOW MUCH THAT YOU PUT INTO THE ORIGINAL
22 BUDGET? 20?

23

24 **C.A.O. JANSSEN:** IT'S 85 ON TOP OF 40.

25



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **SUP. YAROSLAVSKY:** IT'S 85 ON TOP OF 40. SO YOU'RE ADD--
2 TOTAL'S 125.

3

4 **C.A.O. JANSSEN:** WE'RE GOING UP TO 125, CORRECT.

5

6 **SUP. YAROSLAVSKY:** GOTCHA. THANK YOU.

7

8 **SUP. KNABE:** I MEAN, DAVID? MADAM CHAIR?

9

10 **SUP. MOLINA, CHAIR:** SUPERVISOR KNABE.

11

12 **SUP. KNABE:** I MEAN, JUST, I MEAN, BASICALLY, THE BOTTOM LINE
13 ON THIS REPORT, THOUGH, I MEAN, THE ONLY REAL IMPROVEMENT TO
14 THEIR BUDGET IS THE 150 MILLION WE'RE PUTTING IN. IS THAT
15 CORRECT, I MEAN...?

16

17 **C.A.O. JANSSEN:** YES. THAT IS CORRECT.

18

19 **SUP. KNABE:** AT THIS POINT.

20

21 **C.A.O. JANSSEN:** THAT IS ABSOLUTELY CORRECT.

22

23 **SUP. MOLINA, CHAIR:** ANY OTHER QUESTION OR COMMENT? THIS IS ON
24 ITEM NUMBER 18.

25



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **C.A.O. JANSSEN:** 8. WE'RE ACTUALLY ON 8 AND 16...

2

3 **SUP. MOLINA, CHAIR:** WELL, I KNOW, BUT WE'RE ALSO DOING 18.

4

5 **C.A.O. JANSSEN:** WE'RE ACTUALLY-- WE'RE DOING...

6

7 **SUP. KNABE:** 16 AND 14?

8

9 **C.A.O. JANSSEN:** WE'RE DOING 14 AND 16.

10

11 **SUP. MOLINA, CHAIR:** OKAY. WE KEPT MOVING AROUND.

12

13 **C.A.O. JANSSEN:** WE DON'T HAVE AN 18.

14

15 **SUP. MOLINA, CHAIR:** WE'RE NOT AT 18.

16

17 **C.A.O. JANSSEN:** WE DON'T HAVE AN 18.

18

19 **SUP. MOLINA, CHAIR:** THE DEPARTMENT OF HEALTH SERVICES, THAT
20 WAS ITEM NUMBER 14.

21

22 **C.A.O. JANSSEN:** 14 AND 16.

23

24 **SUP. MOLINA, CHAIR:** AND THEN YOU JUMPED OVER TO 16, WHICH IS
25 THE ITEMS THAT...



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1

2 **C.A.O. JANSSEN:** YES, THAT IS CORRECT.

3

4 **SUP. MOLINA, CHAIR:** ALL RIGHT. LET'S DO THOSE TWO ITEMS. ANY

5 OTHER QUESTION OR COMMENT ON THESE TWO ITEMS? ALL RIGHT.

6 THEY'RE JUST-- I'M SORRY. THEY'RE THE TWO...

7

8 **C.A.O. JANSSEN:** NO, NO. JUST, AT THIS POINT, JUST...

9

10 **SUP. MOLINA, CHAIR:** THIS IS JUST THE REPORTS. ON ITEM NUMBER

11 14, IT'S JUST A RECEIVE AND FILE REPORT.

12

13 **SUP. KNABE:** AND THE SAME ON 16.

14

15 **SUP. MOLINA, CHAIR:** AND THE SAME ON 16.

16

17 **SUP. KNABE:** MOVE IT.

18

19 **SUP. MOLINA, CHAIR:** ALL RIGHT. WE'LL RECEIVE AND FILE THOSE

20 ITEMS. THANK YOU SO MUCH. ALL RIGHT. LET'S GO BACK TO...

21

22 **C.A.O. JANSSEN:** ITEM 8. WE'RE STILL ON THE CHANGE LETTER.

23

24 **SUP. MOLINA, CHAIR:** ALL RIGHT. DID YOU WANT TO CONTINUE

25 DISCUSSION ON THAT OR...?



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1

2 **C.A.O. JANSSEN:** YES. SUPERVISOR ANTONOVICH HAD THE ITEM. I
3 WOULD ASK, JUST FOR THE SAKE OF THE TECHNICAL PEOPLE, IF WE
4 COULD LEAVE ITEM 1 IN THE BUDGET BUT, YOU KNOW, OBVIOUSLY NOT
5 IMPLEMENT IT UNTIL THE BOARD DECIDES WHAT TO DO, AND IF YOU
6 DECIDE NOT TO DO IT, WE'LL SIMPLY TAKE IT OUT OF THE BUDGET
7 BUT THE TECHNICAL ASPECTS OF CHANGING THE STAFFING ORDINANCE,
8 THE BUDGET, ET CETERA AND IT'S 3.5 MILLION, 19 POSITIONS, SO I
9 WOULD ASK YOU TO LEAVE IT IN, RECOGNIZING WE'RE NOT GOING TO
10 DO ANYTHING UNTIL...

11

12 **SUP. KNABE:** WELL, THAT WAS GOING TO BE MY QUESTION BECAUSE I
13 DON'T WANT TO PULL IT OUT.

14

15 **SUP. MOLINA, CHAIR:** ALL RIGHT. SO, THEN, SUPERVISOR
16 ANTONOVICH, YOUR MOTION SAYS THAT WE DEFER THIS.

17

18 **SUP. KNABE:** HE'S GOING TO REPORT BACK IN JULY.

19

20 **SUP. ANTONOVICH:** WE'RE GOING TO GET THE REPORT BACK IN JULY.

21

22 **C.A.O. JANSSEN:** YES, WE'LL GET THE REPORT BACK.

23

24 **SUP. KNABE:** BUT WE'LL TECHNICALLY LEAVE THEM IN THERE. OKAY.

25



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **SUP. MOLINA, CHAIR:** BUT WE'RE STILL INCLUDING IT IN THIS
2 ADJUSTMENT, IS THAT ACCEPTABLE? ALL RIGHT.

3

4 **C.A.O. JANSSEN:** IT WON'T BE SPENT UNTIL WE...

5

6 **SUP. ANTONOVICH:** SUBJECT TO CHANGE IN JULY?

7

8 **C.A.O. JANSSEN:** RIGHT. IT WON'T-- YES.

9

10 **SUP. MOLINA, CHAIR:** RIGHT. ALL RIGHT. SO, THEN, ARE WE
11 PREPARED TO ADOPT THE CHANGES AS PROPOSED? MOVED BY SUPERVISOR
12 BURKE, SECONDED BY SUPERVISOR ANTONOVICH. IF THERE'S NO
13 OBJECTION, SO ORDERED. ALL RIGHT. ITEM NUMBER 9.

14

15 **C.A.O. JANSSEN:** ITEM NUMBER 9 ARE ANY PROPOSES, ADDITIONS THAT
16 THE BOARD WISHES TO MAKE TO THE BUDGET.

17

18 **SUP. ANTONOVICH:** I HAVE ONE, MADAM CHAIR.

19

20 **SUP. MOLINA, CHAIR:** SUPERVISOR ANTONOVICH.

21

22 **SUP. ANTONOVICH:** THE PROBATION DEPARTMENT WILL HAVE TO CURTAIL
23 THE SCHOOL-BASED PROBATION SUPERVISION SERVICES IN 34 SCHOOLS
24 OF OUR COUNTYWIDE UNLESS THEY RECEIVE ADDITIONAL FUNDING AND
25 WE ALL KNOW WE'VE HAD SOME SERIOUS PROBLEMS, SOME RACIAL



**The Meeting Transcript of
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1 CONFLICTS OVER THE WEEKEND THAT HAVE RAISED SERIOUS CONCERNS
2 ABOUT THE SAFETY ON MANY OF OUR SCHOOLS. SO I'D MOVE THAT THE
3 BOARD APPROVE A \$1.2 MILLION BUDGET AUGMENTATION FROM THE
4 ONGOING PROVISIONAL FINANCE USES TO RESTORE THE 34 SCHOOL-
5 BASED DEPUTY PROBATION OFFICERS TO MITIGATE SERVICE REDUCTIONS
6 SCHEDULED TO TAKE EFFECT ON JULY 1ST OF THIS YEAR.

7

8 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT ITEM IS MOVED BY
9 SUPERVISOR ANTONOVICH, SECONDED BY MYSELF. IS THERE ANY
10 QUESTION OR COMMENT ON THIS ITEM? IF NOT, SO ORDERED ON THIS
11 PARTICULAR ITEM. THAT'S ALL YOU HAVE? ALL RIGHT.

12

13 **SUP. YAROSLAVSKY:** MADAM CHAIR, WHENEVER YOU'RE READY.

14

15 **SUP. MOLINA, CHAIR:** SUPERVISOR YAROSLAVSKY.

16

17 **SUP. YAROSLAVSKY:** I WON'T READ THIS...

18

19 **SUP. MOLINA, CHAIR:** IT'S PRETTY LENGTHY.

20

21 **SUP. YAROSLAVSKY:** ...BUT-- GOT TO TAKE AN EVELYN WOOD SPEED
22 READING COURSE BUT THIS IS A MOTION THAT SUPERVISOR MOLINA AND
23 I ARE BRINGING IN JOINTLY ON THE HOMELESS SHELTERS AND RELATED
24 ISSUES AND I WOULD JUST SUMMARIZE, MADAM CHAIR, BY SAYING
25 WE'VE BEEN WORKING VERY CLOSELY WITH L.A.H.S.A., THE L.A.



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1 HOMELESS SERVICES AUTHORITY, OVER THE LAST COUPLE OF YEARS. I
2 KNOW SUPERVISOR BURKE HAS BEEN INVOLVED IN IT AS WELL. WE'VE
3 BEEN WORKING WITH THE CITY. THIS BOARD HAS TAKEN A NUMBER OF
4 ACTIONS TO TRY TO EXPAND SERVICES INCREMENTALLY TO OUR
5 HOMELESS POPULATION, INCLUDING YEAR-ROUND SHELTERS,
6 INSTRUCTIONS TO OUR DEPARTMENTS, VARIOUS DEPARTMENTS: MENTAL
7 HEALTH, HEALTH, WELFARE, PUBLIC AND SOCIAL SERVICES, TO KIND
8 OF PROVIDE AN UMBRELLA OF ASSISTANCE TO OUR HOMELESS
9 POPULATION BUT, AS I THINK EVERYBODY HERE KNOWS, THE
10 L.A.H.S.A. ISSUED ITS CENSUS JUST THE OTHER DAY, A CENSUS THAT
11 WAS CONDUCTED EARLIER THIS YEAR ON HOMELESS-- THE HOMELESS
12 POPULATION. THAT CENSUS CAME UP WITH A HOMELESS NUMBER OF
13 91,000 HOMELESS INDIVIDUALS IN THE COUNTY OF LOS ANGELES, OF
14 WHICH 35,000, APPROXIMATELY 35,000 ARE CHRONICALLY HOMELESS.
15 WE ARE IN A POSITION TO RATCHET UP OUR EFFORTS AND, FOR THAT
16 REASON, I WANT TO MAKE THE FOLLOWING MOTION WITH MS. MOLINA.
17 BOTH OF US MOVE THAT THE BOARD OF SUPERVISORS ERECT THE CHIEF
18 ADMINISTRATIVE OFFICER TO APPROPRIATE THE FOLLOWING FUNDS OF
19 THE DESIGNATION FOR CAPITAL PROJECTS AND EXTRAORDINARY
20 MAINTENANCE. FIRST, \$20 MILLION FOR CONSTRUCTION AND/OR
21 RENOVATION OF YEAR-ROUND EMERGENCY SHELTERS, SPECIFIC
22 DISTRIBUTION AMOUNTS TO BE DETERMINED BY THE BOARD AFTER
23 RECEIVING A RECOMMENDATION FROM L.A.H.S.A. AND THE C.A.O., OUR
24 C.A.O. SECONDLY, \$2 MILLION FOR CONSTRUCTION OF A RESPITE
25 CENTER FOR HOMELESS FAMILIES TO BE OPERATED BY WOMEN'S CARE



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1 COTTAGE AND APPROPRIATE, OUT OF PROVISIONAL FINANCING USES,
2 \$200,000 IN ONGOING OPERATING FUNDS FOR THE RESPITE CENTERS,
3 WHICH IS AN ISSUE MS. BURKE WAS CALLED TO OUR ATTENTION.
4 THREE, \$600,000 IN ONE-TIME FUNDS FOR BOOTH MEMORIAL CENTER TO
5 OPERATE ITS SHELTER FOR HOMELESS FAMILIES DURING THE 2005 AND
6 '06 FISCAL YEAR. WE FURTHER MOVE THAT THE BOARD OF SUPERVISORS
7 DIRECT THE CHIEF ADMINISTRATIVE OFFICER TO, ONE, WORK WITH THE
8 AUDITOR-CONTROLLER, COUNTY COUNSEL, COMMUNITY DEVELOPMENT
9 COMMISSION AND THE CITY OF LOS ANGELES TO DEVELOP OPTIONS FOR
10 MORE EFFECTIVE ADMINISTRATION OF HOMELESS SERVICES AND
11 PROGRAMS IN LOS ANGELES COUNTY, INCLUDING FUNDING STRATEGIES
12 AND GOVERNANCE STRUCTURES AND PRESENT THESE OPTIONS TO THE
13 BOARD WITHIN 60 DAYS-- IN 60 DAYS. SECONDLY, APPROPRIATE \$2
14 MILLION FROM THE PROVISIONAL FINANCING USES IN ORDER TO
15 ADEQUATELY FUND THE ONGOING ADMINISTRATION OF THESE HOMELESS
16 SERVICES IN THE COUNTY OF LOS ANGELES. AND, FINALLY, IN
17 COLLABORATION WITH THE COMMUNITY DEVELOPMENT COMMISSION,
18 RESEARCH AND EVALUATE DEDICATED REVENUE SOURCES FOR HOMELESS
19 PROGRAMS SUCH AS RENTAL ASSISTANCE, OUTREACH AND OPERATING
20 EXPENSES FOR SUPPORTIVE AND TRANSITIONAL HOUSING AND EMERGENCY
21 SHELTERS AND REPORT TO THE BOARD IN 90 DAYS. THERE ARE A
22 NUMBER OF THINGS IN THIS MOTION WE'RE TRYING TO DO
23 SIMULTANEOUSLY. IT IS AN OPPORTUNITY TO LEVERAGE AND IT'S
24 REALLY WHAT I HOPE THAT WE WILL TRY TO DO IN THE NEXT SEVERAL
25 WEEKS AS WE TALK TO L.A.H.S.A. AND THE CITY OF LOS ANGELES



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1 AND, BY THE WAY, NOT JUST THE CITY, IT SHOULDN'T BE JUST
2 LIMITED TO THE CITY OF L.A. BUT PASADENA, LONG BEACH AND ANY
3 OTHER CITIES THAT WANT TO JOIN WITH US AND HOW WE CAN LEVERAGE
4 THESE DOLLARS WITH THEIR DOLLARS, WITH THEIR RESOURCES, AND
5 OUR RESOURCES AS WELL OF OTHER THE DEPARTMENTS, THE VARIOUS
6 HUMAN SERVICE PROVIDING DEPARTMENTS IN OUR COUNTY TO REALLY
7 MAKE A-- TAKE A QUANTUM LEAP IN HOMELESS SERVICE DELIVERY IN
8 THE COUNTY OF LOS ANGELES. THIS WILL MARK, I THINK, THE
9 LARGEST SINGLE INVESTMENT IN THIS ISSUE THAT WE'VE MADE
10 CERTAINLY OUT OF THE GENERAL FUND SINCE ALL OF US HAVE BEEN
11 HERE AND L.A.H.S.A. GETS \$50 MILLION WITH WHICH THEY INVEST IN
12 VARIOUS PROVIDERS. I THINK WE CAN SIGNIFICANTLY RATCHET UP OUR
13 SERVICES IN THIS COUNTY WITH THIS MONEY. IT IS NOT DESIGNED TO
14 BE-- IT'S NOT PREDETERMINED THAT IT WILL BE IN EACH DISTRICT
15 OR NOT IN EACH DISTRICT, IT'S NOT THAT KIND OF A THING.
16 REALLY, THIS HAS TO BE BASED ON WHERE WE CAN MAKE THE MOST
17 IMPACT IN THE HOMELESS POPULATION WITH THESE DOLLARS, AND
18 THAT'S WHAT I HOPE YOU'LL COME BACK WITH, DAVID, IN THE 60
19 DAYS. AND THAT'S OUR MOTION.

20

21 **SUP. MOLINA, CHAIR:** ALL RIGHT. AND THAT ITEM IS SECONDED BY
22 MYSELF. IS THERE ANY QUESTION OR COMMENT ON THIS ITEM?

23

24 **SUP. KNABE:** YES, I DO.

25



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1 **SUP. BURKE:** WELL, I'LL LET HIM MAKE HIS MOTION AND THEN I'D
2 LIKE TO MAKE A COUPLE OF COMMENTS.

3

4 **SUP. MOLINA, CHAIR:** ON THIS MOTION?

5

6 **SUP. BURKE:** ON THIS MOTION.

7

8 **SUP. KNABE:** RIGHT. ON YOUR MOTION, I HAVE SOME CONCERNS AND I
9 JUST HAVE AN AMENDMENT THAT I'D LIKE TO PASS OUT FOR YOUR
10 CONSIDERATION. I MEAN, OBVIOUSLY, I SUPPORT THIS MOTION
11 BECAUSE OF THE SIGNIFICANCE OF THE HOMELESS POPULATION BUT MY
12 OFFICE HAS BEEN INVOLVED, ON AN ONGOING BASIS, TO DEVELOP A
13 YEAR-ROUND SHELTER IN THE LONG BEACH AREA. IN THAT COUNT THAT
14 YOU PRESENTED, THE 91,000, IT DID NOT INCLUDE THE 6,000-PLUS
15 ESTIMATED TO BE IN THE LONG BEACH AREA. AND THEN ALSO TO
16 EXPAND THE CAPACITY OF EXISTING SHELTERS I'M WORKING IN THE
17 WHITTIER, THE UNINCORPORATED AREAS AS WELL, TOO.

18

19 **SUP. YAROSLAVSKY:** DON, I THINK IT DID INCLUDE. THE 91 DID, THE
20 80 SOMETHING FIGURE DID NOT SO...

21

22 **SUP. YAROSLAVSKY:** THE FIGURE THEY RELEASED LAST-- ANYWAY.

23

24 **SUP. KNABE:** OKAY.

25



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1 **SUP. YAROSLAVSKY:** WE'LL GET IT STRAIGHTENED OUT.

2

3 **SUP. BURKE:** IT'S OUTSIDE OF L.A.H.S.A. THAT'S THE REASON...

4

5 **SUP. KNABE:** BUT, YOU KNOW, AGAIN, I'M NOT-- LIKE I SAY, I'M
6 NOT GOING TO READ THE WHOLE THING BUT I WOULD JUST MOVE THAT
7 YOUR MOTION BE AMENDED TO ALLOW SOME GREATER FLEXIBILITY FOR
8 THOSE DOLLARS FOR THE CONSTRUCTION OF NEW YEAR-ROUND HOMELESS
9 SHELTERS. ALSO, THE EXPANSION OF BEDS IN HOMELESS SHELTERS
10 CURRENTLY IN EXISTENCE AND SERVICES OR ONGOING COSTS FOR YEAR-
11 ROUND HOMELESS SHELTERS AND IT'S PART OF THE REPORT TO LOOK AT
12 THOSE PARTICULAR OPPORTUNITIES.

13

14 **SUP. BURKE:** I'LL SECOND THAT. AND I WANT TO CLARIFY THIS. IS
15 THE REASON WHY LONG BEACH IS NOT INCLUDED IS BECAUSE THEY'RE
16 NOT PART OF THE L.A.H.S.A. PURVIEW?

17

18 **SUP. KNABE:** THEY HAVE THEIR OWN CONTINUUM OF CARE AND...

19

20 **SUP. BURKE:** WHICH IS SEPARATE FROM L.A.H.S.A.?

21

22 **SUP. KNABE:** SEPARATE BUT IMPACTED BECAUSE OF SOME LAP OVER
23 EFFORTS FROM THE COUNTY AND D.P.S.S. AND SOME OTHER ISSUES
24 THAT WE HAVE TO DEAL WITH DOWN THERE.

25



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1 **SUP. BURKE:** ALL RIGHT. I JUST HAVE ONE QUESTION: WILL WE GET
2 BACK FROM L.A.H.S.A. OR FROM WHOEVER IS GOING TO MAKE THE
3 DETERMINATION IN TERMS OF THIS \$20 MILLION, EXACTLY WHETHER OR
4 NOT IT'S GOING TO EXISTING FACILITIES, WHETHER IT'S NEW
5 FACILITIES? WILL WE GET SOME KIND OF REPORT BACK FROM THEM AS
6 THIS PROCEEDS?

7

8 **SUP. MOLINA, CHAIR:** THAT'S THE INTENTION, RIGHT?

9

10 **SUP. YAROSLAVSKY:** YEAH.

11

12 **SUP. BURKE:** ALL RIGHT. SO THAT'S YOUR INTENTION, THAT WE WOULD
13 GET A REPORT BACK. SOMETIMES WITH L.A.H.S.A., IT HAS BEEN VERY
14 DIFFICULT TO REALLY FOLLOW EXACTLY THEIR PROCESS FOR
15 ALLOCATIONS. SO I WOULD JUST WANT TO KNOW THAT WE WILL BE
16 KNOWING HOW THIS GOES BECAUSE-- AND HOW IT'S ALLOCATED. IN
17 TERMS OF THE WOMEN'S CARE COTTAGE, I CERTAINLY AM SUPPORTIVE
18 OF THAT AND I WANT TO MAKE IT CLEAR TO MY CONSTITUENTS THAT
19 IT'S VERY DIFFICULT TO FIND LOCATIONS FOR THESE FACILITIES AND
20 SOMETIMES SOMEONE HAS TO STEP FORWARD AND PROVIDE THE LOCATION
21 AND SO I CAN UNDERSTAND, AND I APPRECIATE THE THIRD AND FIRST
22 DISTRICTS, WHERE THEY'VE PROBABLY ALREADY LOOKED IN THEIR
23 DISTRICT AND COULD NOT FIND A PLACE FOR IT BECAUSE I KNOW IT
24 WAS ORIGINALLY NOT TO BE IN OUR DISTRICT. BUT I HAVE TAKEN THE
25 POSITION AT THIS POINT THAT I AM SUPPORTING IT, IT WILL BE



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1 LOCATED IN THE SECOND DISTRICT, BUT WE CERTAINLY APPRECIATE
2 THE FACT THAT THE FUNDS WOULD BE COMING FROM ALL OF THE
3 DISTRICTS.

4

5 **SUP. MOLINA, CHAIR:** VERY GOOD.

6

7 **SUP. KNABE:** MADAM CHAIR, I WOULD JUST ADD, I MEAN, OBVIOUSLY,
8 THE ONGOING CONCERN THAT I HAVE IS NOT ONLY-- I UNDERSTAND
9 THIS IS ONE TIME, BUT SOME PARTS OF THIS MOTION IS A VERY
10 SIGNIFICANT ONGOING COMMITMENT AND TO QUOTE ONE OF MY
11 COLLEAGUES FROM LAST WEEK, THIS IS A VERY SLIPPERY SLOPE. I
12 HAVE BEEN TOLD, WHEN WE TALKED ABOUT THE COUNTY'S FUNCTION AS
13 A REHABILITATIVE AGENT FOR RANCHO, THAT THAT WAS NOT A PRIMARY
14 RESPONSIBILITY, A CORE RESPONSIBILITY. I WAS TOLD LAST WEEK,
15 WHEN WE JUST TRIED TO GET A REPORT BACK ON EMERGENCY ROOM
16 OUTSIDE THE COUNTY'S RESPONSIBILITY THAT'S, YOU KNOW, "THAT'S
17 JUST NOT OUR RESPONSIBILITY." AND, WHILE MANY OF US HAVE
18 CONTINUED TO WORK WITH THE HOMELESS ISSUE, AND IT'S VERY, VERY
19 SIGNIFICANT, THIS BASICALLY IS DOWN A SLIPPERY SLOPE THAT'S
20 TAKING US TO POSSIBLY CREATING AN ENTIRE AGENCY THAT THE
21 COUNTY RUNS AND TAKES OVER. AND SO I'M SUPPORTIVE OF THE
22 MOTION MOVING FORWARD BUT I, YOU KNOW, JUST LIKE LAST WEEK,
23 ALL I WAS LOOKING FOR WAS A REPORT BACK ON WHAT THESE
24 OPPORTUNITIES ARE BECAUSE THE WAY THIS MOTION READS, IT COULD
25 PUT US IN A VERY DIFFICULT SITUATION BECAUSE I KNOW, LIKE ALL



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1 OF YOU, WE GET POUNDED EVERY DAY IN OUR OFFICE ABOUT ALL THESE
2 AREAS ABOUT THE HOMELESS ISSUE. AND I JUST-- I WOULD HAVE A
3 REAL HARD TIME OF CREATING AN AGENCY WITH THE COUNTY THAT TOOK
4 OVER L.A.H.S.A.'S RESPONSIBILITY OR TO PUT THIS IN A SITUATION
5 WHERE REALLY THE COUNTY IS TAKING OVER NOT A QUOTE/ UNQUOTE
6 CORE RESPONSIBILITY.

7

8 **SUP. MOLINA, CHAIR:** WELL, YOU KNOW, SUPERVISOR KNABE, WHEN I
9 WAS IN THE CITY COUNCIL, I WAS ONE OF THE PEOPLE THAT
10 CRITICIZED THIS COUNTY FOR NOT TAKING OWNERSHIP OF THE ISSUES
11 OF HOMELESSNESS. THERE WASN'T ENOUGH BEING DONE. AND IF
12 THERE'S ANYWHERE WHERE THIS RESTS, I MEAN, COLLECTIVELY, WE
13 SHOULD ALL BE INVOLVED BUT THE COUNTY, WITH ITS MENTAL HEALTH
14 DEPARTMENT, WITH ALL THE SUPPORTIVE SERVICES, WITH D.P.S.S.
15 AND ALL THE OTHER AREAS, WE SHOULD TAKE A MAJOR LEAD. THAT
16 DOES NOT MEAN THAT WE LET OFF CITIES. I THINK CITIES HAVE TO
17 COOPERATE, WHETHER THEY BE IN LONG BEACH OR DOWNTOWN OR IN THE
18 SAN GABRIEL VALLEY OR ALL OVER. THE HOMELESS PROBLEM IS GOING
19 ON ALL THE TIME.

20

21 **SUP. KNABE:** OH, I AGREE AND THAT'S WHAT I'M JUST SAYING. I
22 MEAN, I AGREE WITH THAT.

23

24 **SUP. MOLINA, CHAIR:** BUT THE ISSUE IS THAT THE COUNTY, I THINK,
25 HAS TO BE THE LEADER OR AT LEAST SOMEONE THAT IS GOING TO



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1 MOTIVATE THE OTHER CITIES TO GET INVOLVED. L.A.H.S.A. HAS ITS
2 UPS AND DOWNS, THERE'S NO DOUBT, BUT THIS IS ONE AREA AND THE
3 LAWSUIT CAME ABOUT BY FILING AGAINST THE COUNTY AND I THINK
4 IT'S JUST THAT WE NEED-- WE'RE THE ONES THAT SHOULD BE TAKING
5 A LEAD ROLE WITH ALL THE SUPPORTIVE SERVICES, CREATING THE
6 KIND OF COORDINATION AND TAKING A LITTLE BIT MORE OWNERSHIP ON
7 SOME OF THESE AREAS BUT NOT LETTING THE CITIES OFF FOR THEIR
8 RESPONSIBILITY, DUTY, NOT ONLY TO HAVE THESE FACILITIES WITHIN
9 THEIR COMMUNITIES AND THEIR DISTRICTS BUT, MORE IMPORTANTLY,
10 THAT WE WORK ON A COORDINATED EFFORT NOT HAVING SOME OF THE
11 CITIES, YOU KNOW, GIVING BUS TOKENS TO OTHER PARTS OF THE
12 COMMUNITIES. I THINK THAT'S INAPPROPRIATE BUT WE ALL HAVE TO
13 TAKE SOME OWNERSHIP.

14

15 **SUP. BURKE:** OR BUSING THEM IN TO SOME OF OUR LOCATIONS.

16

17 **SUP. MOLINA, CHAIR:** OR BUSING THEM IN, EXACTLY.

18

19 **SUP. KNABE:** EXACTLY.

20

21 **SUP. BURKE:** TO SOME OF OUR DISTRICTS BUT I WANT TO GET THIS
22 STRAIGHT. BRING L.A. HOME, AND CERTAINLY I'VE BEEN TO ALL OF
23 THEIR MEETINGS, THEY ARE NOT THE KIND OF AN ORGANIZATION THAT
24 COULD DO ALLOCATIONS. WHO IS GOING TO MAKE THE DECISION? IS IT
25 BRING L.A. HOME THAT IS GOING TO MAKE THESE DECISIONS? IS IT



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1 L.A.H.S.A. THAT'S GOING TO MAKE THEM? IS IT A JOINT DECISION-
2 MAKING WITH L.A.H.S.A. AND THE C.A.O.? HOW IS THIS GOING TO
3 BE-- WHAT IS THE PROCESS OR WHO IS GOING TO DEVELOP THE
4 PROCESS?

5

6 **SUP. YAROSLAVSKY:** THE PURPOSE OF THIS MOTION IS TO-- PART OF
7 THIS REPORT IS TO ADDRESS THAT VERY ISSUE BECAUSE I HAVE THE
8 SAME CONCERNS THAT I THINK YOU HAVE THAT MR. KNABE HAS ABOUT
9 THE CURRENT STRUCTURE'S ABILITY TO HANDLE IT. SO ONE OF THE
10 THINGS THAT WE WANT TO FIGURE OUT, IT SHOULD NOT BE ROCKET
11 SCIENCE, IS WHETHER IT'S THE COUNTY JOINTLY WITH L.A.H.S.A.,
12 WHETHER IT'S THE COUNTY ALONE, WHETHER-- I DON'T THINK
13 L.A.H.S.A., IN ITS CURRENT CONFIGURATION, CAN DO IT BUT THAT'S
14 ONE OF THE THINGS WE JUST HAVE TO FIGURE OUT. I'M LESS
15 CONCERNED ABOUT THE GOVERNANCE ISSUE OTHER THAN WE JUST WANT A
16 GOVERNANCE STRUCTURE THAT WILL PRODUCE THE END RESULT. SO I
17 WAS ABOUT TO SAY, LESS CONCERNED ABOUT THE GOVERNANCE ISSUE
18 THAN I AM ABOUT THE END RESULT. AND I THINK THAT WE ALL HAVE--
19 I THINK WE ALL HAVE THE SAME CONCERNS ABOUT THE CURRENT STATE
20 OF AFFAIRS, AND I WOULD SAY THE CURRENT STATE OF AFFAIRS HAS
21 GOTTEN US TO WHERE WE ARE, THEY'VE DONE SOME INCREMENTALLY--
22 IMPROVED THE DELIVERY OF SERVICE BUT IT'S BEEN INCREMENTAL AND
23 THIS IS AN EFFORT TO GO FURTHER. I WANT TO MAKE A COMMENT. I
24 HOPE, AND I DIDN'T WRITE IT THIS WAY, BUT MY ASSUMPTION, AND I
25 HOPE IT'S ALL OF OUR COLLECTIVE ASSUMPTION, THAT THIS ISN'T TO



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1 REHABILITATE EXISTING SHELTERS, THAT THIS IS TO CREATE NET NEW
2 CAPACITIES.

3

4 **SUP. BURKE:** NEW SHELTERS.

5

6 **SUP. YAROSLAVSKY:** NEW SHELTERS OR EXPAND EXISTING ONES OR, YOU
7 KNOW, BUT NET NEW CAPACITY. THIS IS NOT A MAINTENANCE FUND FOR
8 EXISTING SHELTERS. THAT'S-- IF PEOPLE HAVE-- IF SOME OF THE
9 INDIVIDUAL SHELTERS HAVE THAT ISSUE, THEY CAN ADDRESS IT TO
10 THE BOARD OR TO THEIR CITIES INDIVIDUALLY BUT THIS IS REALLY
11 INTENDED TO TAKE IT TO A NEW LEVEL. AND I DON'T KNOW HOW IT'S
12 GOING TO COME OUT. I JUST-- I THINK WE COLLECTIVELY HAVE TRIED
13 TO FIGURE OUT WHAT WOULD BE A MEANINGFUL INVESTMENT THAT WE
14 COULD REASONABLY EXPECT COULD BE SPENT. AND, YOU KNOW, AND I
15 THINK, COLLECTIVELY, ALL OF US WHO HAVE LOOKED AT THIS, STAFFS
16 AND ALL, BELIEVE THAT THIS IS-- WE CAN AFFORD THIS, AT THIS
17 POINT, YOU KNOW, AND WE CAN MANAGE IT AT THIS POINT IN A
18 RELATIVELY SHORT TIME FRAME BUT WE NEED TO MAKE SURE THAT
19 WE'RE SETTING UP A STRUCTURE THAT HANDLES IT, BOTH IN THE
20 SHORT AND THE LONG TERM. I WANT TO JUST-- LAST THING I WANT TO
21 SAY, MADAM CHAIR, IS, ON MR. KNABE'S MOTION, IS IT OKAY IF THE
22 ISSUES YOU RAISED ARE REPORTED BACK AS PART OF THE REPORT?

23

24 **SUP. KNABE:** OH, ABSOLUTELY. THAT'S JUST AN AMENDMENT TO YOURS,
25 IT'S PART OF YOUR...



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1

2 **SUP. YAROSLAVSKY:** JUST AS A SLIGHT-- AND I JUST-- I DON'T WANT
3 TO BE ANAL ABOUT IT BUT YOU KNOW ME.

4

5 **SUP. KNABE:** YOU USUALLY ARE.

6

7 **SUP. YAROSLAVSKY:** IT'S JUST THAT IT'S NOT VIEWED AS A
8 DIRECTION TO COME BACK WITH GREATER FLEXIBILITY BUT TO REPORT
9 ON GREATER FLEXIBILITY OPTIONS.

10

11 **SUP. KNABE:** GREATER FLEXIBILITY OPTIONS SUCH AS EXPANSION
12 BECAUSE I DON'T THINK THAT WAS REAL CLEAR IN YOUR MOTION.

13

14 **SUP. YAROSLAVSKY:** THAT'S FINE. THAT'S FINE.

15

16 **SUP. KNABE:** YOU KNOW, OF EXISTING FACILITY. I MEAN, BECAUSE,
17 AS AN EXAMPLE PART OF IT, WE'VE ALREADY ASKED D.P.S.S. AND
18 MENTAL HEALTH TO DO A LOT OF THINGS FOR THE HOMELESS OUTSIDE
19 THEIR MAIN MISSION. I MEAN, THAT HAS TO BE RECONFIGURED. I
20 MEAN, HOW DOES THAT FIGURE IN THE RECONFIGURATION? SO I
21 ASSUME, IN THIS REPORT BACK, WE'RE GOING TO ADDRESS ALL THE
22 OUTSIDE ISSUES THAT WE'RE ALREADY INVOLVED IN AND ASKING OUR
23 DEPARTMENTS TO GET INVOLVED IN THAT ARE OUTSIDE THEIR MAIN
24 MISSION THAT MAY BE IMPACTED BY THIS. IS THAT CORRECT?

25



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1 **SUP. YAROSLAVSKY:** YES, THAT'S FINE. I UNDERSTAND IT THAT WAY
2 AND THAT'S PERFECT, BECAUSE THAT'S-- WE SHOULD NOT LIMIT
3 OURSELVES TO ANY PARTICULAR COURSE BUT WHATEVER WORKS. MADAM
4 CHAIR, I JUST WANT TO THANK YOU AND THE OTHER BOARD MEMBERS
5 FOR THE WORK YOU'VE DONE IN HELPING TO IDENTIFY THIS ISSUE. I
6 REALLY THINK THIS IS AN IMPORTANT-- IT'S MORE THAN SYMBOLIC
7 FOR THE FIRST TIME, IT'S REAL DOLLARS BEING PUT IN AN ISSUE
8 WHICH WE ALL KNOW IS A COMPELLING ISSUE TO OUR SOCIETY, IT'S
9 NOT JUST A LOCAL ISSUE, IT'S A NATIONAL-- IT'S REALLY A
10 NATIONAL SHAME THAT WE ARE IN THIS POSITION. WHEN I FIRST GOT
11 ELECTED TO THE CITY COUNCIL, WE DIDN'T HAVE HOMELESS PEOPLE ON
12 THE STREETS OF LOS ANGELES. 10, 12 YEARS LATER...

13

14 **SUP. ANTONOVICH:** COME ON. LOS ANGELES CITY?

15

16 **SUP. YAROSLAVSKY:** WELL, OUTSIDE OF-- OUTSIDE OF A POCKET. WE
17 CERTAINLY DIDN'T HAVE...

18

19 **SUP. BURKE:** SKID ROW. THAT WAS IT.

20

21 **SUP. YAROSLAVSKY:** OUTSIDE OF SKID ROW, THAT WAS ABOUT IT. NOW
22 YOU HAVE A POPULATION, I'LL PARAPHRASE WHAT YOU APPROPRIATELY
23 OFTEN TRY TO COMPARE, MIKE, BECAUSE IT'S A GOOD COMPARISON, IF
24 THE HOMELESS WERE THEIR OWN CITY IN THE COUNTY, THEY'D BE ONE
25 OF THE LARGEST CITIES IN OUR COUNTY TODAY. AT 90,000, THEY'D



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1 BE RIGHT UP THERE WITH TORRANCE AND, YOU KNOW, SOME OF THE
2 90,000 POPULATION CITIES. SO I THINK WE-- WE'RE NOT GOING TO
3 SOLVE THIS OVERNIGHT AND WE MAY NOT EVEN SOLVE IT ON OUR OWN
4 BUT I THINK WE HAVE AN OPPORTUNITY TO LEVERAGE SOME RESOURCES
5 HERE TO MAKE A DIFFERENCE. AND WE NOW HAVE A CENSUS AGAINST
6 WHICH WE, AS A COMMUNITY, CITIES AND THIS COUNTY, CAN MEASURE
7 OUR SUCCESS. I THINK WE HAVE A PRETTY ACCURATE CENSUS,
8 CERTAINLY MORE ACCURATE THAN IT'S EVER BEEN BEFORE. ANYWAY,
9 THANK YOU ALL.

10

11 **SUP. BURKE:** I HAVE TO SAY ONE MORE THING AND I HOPE THAT ALL
12 OF US, AS WE DEVELOP THESE NEW FACILITIES, THAT WE WILL DIVIDE
13 THE RESPONSIBILITY, THAT ALL OF IT DOESN'T COME ONE PLACE. AND
14 I KNOW THAT SUPERVISOR MOLINA HAS MORE THAN HER SHARE IN
15 DOWNTOWN LOS ANGELES BUT CERTAINLY WE CAN'T PUT IT ALL IN ONE
16 PLACE.

17

18 **SUP. MOLINA, CHAIR:** NO, I THINK THE CONCENTRATING, IN THE LONG
19 RUN, HURTS US ALL. WE NEED TO CREATE SHELTERS AND WE NEED TO
20 CREATE TRACKING AND SUPPORTIVE SERVICES AND ATTACH IT TOGETHER
21 AND HAVE DUTY AND RESPONSIBILITY.

22

23 **SUP. KNABE:** AND NOT JUST WAREHOUSING, EITHER.

24



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1 **SUP. MOLINA, CHAIR:** THAT'S CORRECT. THAT'S THE WAY TO MAKE IT
2 MORE COMPLETE AND IT'S CERTAINLY THE ONLY WAY TO START
3 KNOCKING DOWN THAT NUMBER, IF POSSIBLE, AS WELL AS WITH
4 COMBINATIONS OF LOOKING AT HOW WE BRING IN MORE AFFORDABLE
5 HOUSING. MANY, MANY OF THESE ARE FAMILIES AND WE HAVE TO WATCH
6 OUT FOR THAT. SUPERVISOR ANTONOVICH.

7

8 **SUP. ANTONOVICH:** ANOTHER PROBLEM THAT WE HAVE IS THAT 61 OF
9 OUR CITIES, WHICH TWO-THIRDS OF L.A. COUNTY CITIES HAVE NO
10 PROVISION FOR LOCATING WITHIN THEIR JURISDICTIONS SUCH
11 SHELTERS OR TRANSITIONAL HOUSING, SO THAT'S A PROBLEM THAT WE
12 HAVE TO ENGAGE THE CONTRACT CITIES, INDEPENDENT CITIES AND
13 LEGAL CITIES IN THAT DISCUSSION. SECONDLY, THERE HAS TO BE AN
14 AGGRESSIVE COMPONENT RELATIVE TO DRUG REHABILITATION AND
15 MENTAL HEALTH TREATMENT FOR MANY OF THOSE WHO ARE, AS A RESULT
16 OF DRUG ABUSE OR MENTAL ILLNESS, UNABLE TO LIVE IN DECENT
17 HOUSING AND BE PRODUCTIVE CITIZENS. SO THAT TYPE OF
18 REHABILITATION PROGRAM HAS TO BE A PART OF THE LONG-RANGE
19 SOLUTION TO THIS PROBLEM.

20

21 **SUP. MOLINA, CHAIR:** THERE'S NO DOUBT. THERE ARE A LOT OF
22 TERRIFIC MODELS THAT ARE IN PLACE THAT COULD BE-- THAT COULD
23 UTILIZE THESE DOLLARS AND CREATE EXPANSION THAT IS REALLY
24 GOING TO BE MORE MEANINGFUL, SO IT IS A GREAT OPPORTUNITY.
25 AND, HOPEFULLY, WITH THE C.A.O. WORKING ON IT, THEY CAN



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1 CONFINE ALL OF THE COORDINATION NECESSARY TO MAKE L.A.H.S.A. A
2 LITTLE BIT MORE EFFECT THAN IT HAS BEEN UP TO NOW. BUT IT
3 CERTAINLY COULD USE THIS NEW DOLLARS. ALL RIGHT. ANYTHING ELSE
4 ON THIS? ALL RIGHT. IF THERE'S NO OBJECTION, SO ORDERED ON
5 THAT ITEM.

6

7 **SUP. KNABE:** AS AMENDED.

8

9 **SUP. MOLINA, CHAIR:** AS AMENDED, THAT'S CORRECT. ALL RIGHT.

10

11 **SUP. YAROSLAVSKY:** I HAVE ONE MORE.

12

13 **SUP. MOLINA, CHAIR:** I'M SORRY? YOU HAVE ONE MORE? GO AHEAD.

14

15 **SUP. YAROSLAVSKY:** MR. ANTONOVICH AND I ARE BRINGING THIS IN.
16 ON NOVEMBER 3RD OF 2004, THE BOARD OF SUPERVISORS AUTHORIZED
17 THE CREATION OF THE EDUCATION COORDINATING COUNCIL TO IMPROVE
18 EDUCATIONAL OUTCOMES FOR YOUTH IN THE FOSTER CARE AND JUVENILE
19 JUSTICE SYSTEMS. THE C.A.O. AND THE COUNTY DEPARTMENTS
20 IDENTIFIED SOURCES OF COUNTY FUNDING TO PROVIDE INITIAL
21 SUPPORT TO THE E.C.C. THE E.C.C., THE EDUCATIONAL COORDINATED
22 COUNCIL, CONVENED ITS FIRST OFFICIAL MEETING IN JANUARY. IT
23 HAS MADE A SIGNIFICANT IMPACT IN THE FIRST SIX MONTHS OF
24 OPERATION AND, AMONG ITS MANY ACCOMPLISHMENTS, THE E.C.C.
25 PREPARED A COMPREHENSIVE LITERATURE RESEARCH OF RESEARCH ON



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1 THE EDUCATIONAL EXPERIENCES OF DEPENDENT DELINQUENT YOUTH,
2 FACILITATED A PRELIMINARY DATA MATCH BETWEEN L.A. UNIFIED
3 SCHOOL DISTRICT AND THE DEPARTMENT OF CHILDREN AND FAMILY
4 SERVICES, IT COLLECTED DESCRIPTIVE STATISTICS AND INITIAL
5 ACADEMIC ACHIEVEMENT DATA ON FOSTER YOUTH AND ARE WORKING WITH
6 THE FIVE OTHER SCHOOL DISTRICTS WHO ARE STAKEHOLDERS IN THE
7 E.C.C. TO GATHER SIMILAR DATA. AND THEY ALSO OBTAINED A FEE
8 WAIVER FROM THE L.A. UNIVERSAL PRESCHOOL, L.A. UP, FOR FOSTER
9 PARENTS, PARENTS WHOSE CHILDREN ARE UNDER THE AUSPICES OF
10 D.C.F.S. AND TEEN PARENTS IN THE FOSTER CARE OR JUVENILE
11 JUSTICE SYSTEMS. E.C.C NEEDS BRIDGE FUNDING TO SUPPORT ITS
12 WORK UNTIL GRANTS FOR FOUNDATIONS AND OTHER PRIVATE FUNDERS
13 CAN BE SECURED. WE THEREFORE MOVE THAT THE BOARD OF
14 SUPERVISORS DIRECT THE CHIEF ADMINISTRATIVE OFFICER TO
15 ALLOCATE \$150,000 IN ONE-TIME FUNDS TO THE EDUCATION
16 COORDINATING COUNCIL TO CONTINUE ITS WORK ON BEHALF OF FOSTER
17 PROBATION YOUTH.

18

19 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT IS SECONDED BY SUPERVISOR
20 ANTONOVICH. ANY OTHER QUESTION OR COMMENT ON THIS ITEM? ANY
21 OBJECTIONS? SO ORDERED ON THAT ITEM. MS. BURKE?

22

23 **SUP. BURKE:** I HAVE ONE MOTION. THERE'S A CONTINUING NEED FOR
24 CLERICAL SUPPORT AT THE DEPARTMENT OF CHILDREN AND FAMILY
25 SERVICES. HOWEVER, CLERICAL SHORTAGE IS A COUNTYWIDE



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1 PHENOMENON. DESPITE EFFORTS TO ADDRESS THE PROBLEM, A
2 PERMANENT SOLUTION HAS NOT BEEN PUT IN PLACE. THE LACK OF
3 CLERICAL SUPPORT IN D.C.F.S. COULD UNDERMINE VALIANT EFFORTS
4 TO IMPROVE SERVICE DELIVERY TO VULNERABLE CHILDREN AND THEIR
5 FAMILIES. I THEREFORE MOVE THAT THE DEPARTMENT OF HUMAN
6 RESOURCES IDENTIFY COSTS AND POTENTIAL FUNDING SOURCES TO
7 ADDRESS THE COUNTYWIDE SHORTAGE OF CLERICAL STAFF REGARDING
8 EMPLOYMENT, RECRUITMENT AND RETENTION. I MOVE THAT D.H.R.
9 RETURN TO THE BOARD OF SUPERVISORS WITH A PLAN FOR ALLEVIATING
10 THE SHORTAGE WITHIN 60 DAYS.

11

12 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT MOTION IS BEFORE US.
13 SECONDED BY MYSELF. IS THERE ANY QUESTION OR COMMENT ON MS.
14 BURKE'S MOTION? ANY OBJECTION? IT'S BASICALLY A REPORT BACK.
15 SO ORDERED ON THAT ITEM. ALL RIGHT. I HAVE A MOTION AS WELL.
16 AND I'LL HAVE MY STAFF PASS IT OUT. NEIGHBORHOOD PARKS PROVIDE
17 VALUABLE OPPORTUNITIES FOR RECREATION, EXERCISE, LEARNING, AND
18 SOCIALIZING FOR CHILDREN AND FAMILIES. AS OUR COMMUNITIES
19 BECOME INCREASINGLY DENSER, OUR PARKS AND GREEN SPACE PLAY AN
20 IMPORTANT ROLE IN THE WELLBEING OF OUR RESIDENTS AND
21 COMMUNITIES. IN RECENT MONTHS, AN INCREASE OF BURGLARIES,
22 VANDALISM AND GANG-RELATED SHOOTINGS HAVE OCCURRED IN AND
23 AROUND THE PARKS IN MY DISTRICT. TO ENSURE THAT COUNTY PARKS
24 ARE SECURE AND PROVIDE A SAFE ENVIRONMENT FOR OUR RESIDENTS,
25 IT IS IMPERATIVE THE OFFICE OF PUBLIC SAFETY AGGRESSIVELY



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1 RECRUIT DEPUTIES TO FILL ALL VACANT DEPUTY PATROL POSITIONS
2 ASSIGNED IN OUR PARKS. I THEREFORE MOVE THAT THE OFFICE OF
3 PUBLIC SAFETY, IN COLLABORATION WITH THE CHIEF ADMINISTRATIVE
4 OFFICE, PROVIDE AN ASSESSMENT AND EVALUATION OF THE O.P.S.,
5 EXISTING ORGANIZATIONAL STRUCTURE, AND TO INCLUDE A PLAN TO
6 IMPROVE OVERSIGHT, SERVICE AND RESPONSE TIMES WITHIN THE
7 O.P.S. BUDGET. A RECRUITMENT PLAN SHOULD ALSO BE INCLUDED TO
8 FILL VACANCIES AND NEW POSITIONS ASSIGNED TO WEEKEND AND
9 EVENING PARK PATROL AND THE BOARD SHOULD BE UPDATED ON A
10 QUARTERLY BASIS ON THE STATUS OF THE IMPLEMENTATION OF THE
11 RECRUITMENT PLAN.

12
13 **SUP. KNABE:** I'LL SECOND THAT.

14
15 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT ITEM IS MOVED BY MYSELF,
16 SECONDED BY SUPERVISOR KNABE. IS THERE ANY QUESTION OR COMMENT
17 ON THAT ITEM? IF NOT, SO ORDERED.

18
19 **SUP. YAROSLAVSKY:** MADAM CHAIR, I HAVE A MOTION ON THIS.

20
21 **SUP. MOLINA, CHAIR:** ALL RIGHT.

22
23 **SUP. KNABE:** I HAVE A MOTION AS WELL, TOO, AT SOME POINT. GO
24 AHEAD.



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1 **SUP. YAROSLAVSKY:** I'M SORRY, WE ARE ON WHICH NUMBER NOW, MADAM
2 CHAIR?

3

4 **SUP. MOLINA, CHAIR:** THIS IS STILL ON ITEM NUMBER 9. SO IT
5 WOULD BE A MOTION TO...

6

7 **SUP. YAROSLAVSKY:** THIS IS ON THE ISSUE OF-- I THINK YOU RAISED
8 IN APRIL, MAY AND IT'S BEEN RAISED BEFORE AND THAT RELATES TO
9 HOW WE CAN BE SURE THAT APPROPRIATIONS THAT WE MAKE IN THE
10 SHERIFF'S DEPARTMENT ARE SPENT FOR THE PURPOSES WE DESIRED. I
11 HAVE NO DOUBT THAT THE INTENT IS THERE WHEN WE START THE
12 FISCAL YEAR BUT SOMEHOW THESE THINGS DON'T-- WE GET INTO
13 APRIL, MAY, AT THE END OF THE FISCAL YEAR, THINGS HAVEN'T
14 MATERIALIZED ACCORDING TO THE BUDGET WE APPROVED. SO I WANTED
15 TO-- I THOUGHT-- I THOUGHT WE HAD ASKED, MAYBE WE DIDN'T, THAT
16 THIS BE INCLUDED IN THE BUDGET CHANGES BUT, IF IT HASN'T--
17 APPARENTLY IT HASN'T. I WANT TO MAKE THIS MOTION, ALONG WITH
18 SUPERVISOR MOLINA, THAT THE BOARD IS ADDING SIGNIFICANT
19 RESOURCES TO THE CUSTODY BUDGET WITHIN THE SHERIFF'S
20 DEPARTMENT TO INCREASE STAFFING AND IMPROVE CONDITIONS IN THE
21 COUNTY JAILS. THE BOARD HAD PREVIOUSLY MADE IT KNOWN THAT IT
22 WANTED ADEQUATE ASSURANCES THAT ANY ADDITIONAL FUNDS
23 APPROPRIATED FOR JAILS WOULD, IN FACT, BE SPENT FOR THAT
24 PURPOSE. WE THEREFORE MOVE THAT THE AUDITOR-CONTROLLER
25 IMPLEMENT A MECHANISM TO ENSURE THAT THE FUNDS APPROPRIATED IN



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1 THE CUSTODY BUDGET ARE SPENT ONLY ON CUSTODY FUNCTIONS. AND
2 THERE'S A WAY YOU CAN DO THAT. WE'VE TALKED ABOUT IT HERE IN
3 THIS BOARD MEETING LAST TIME WHEN SUPERVISOR MOLINA RAISED IT
4 AND IT CAN BE AN ACCOUNT THAT YOU DRAW DOWN SO THAT WE STILL
5 RETAIN-- THE INTENT IS STILL RETAINED IN THE BUDGETARY, IN
6 APPROPRIATIONS PROCESS. I THINK IT'S VERY IMPORTANT AND I
7 DON'T WANT TO MAKE A SPEECH ABOUT IT BUT THAT'S THE MOTION.

8

9 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT ITEM IS BEFORE US. MOVED
10 BY SUPERVISOR YAROSLAVSKY. SECONDED BY MYSELF. ANY OTHER
11 QUESTION OR COMMENT? IF NOT, SO ORDERED ON THAT AMENDMENT. IS
12 THERE ANY OTHER MOTION BEFORE US ON ITEM-- YES?

13

14 **SUP. YAROSLAVSKY:** MADAM CHAIR, SO THAT I UNDERSTAND, THAT THIS
15 MOTION, THEN, MAKES IT INCUMBENT UPON YOU BEFORE-- I'M JUST
16 TRYING TO MAKE SURE THAT, LEGALLY, THE APPROPRIATION IS NOT
17 GOING TO BE MADE IN ONE LUMP SUM WHEN WE APPROVE THIS WITHOUT
18 SOME KIND OF A MECHANISM DEVELOPED BY THE AUDITOR-CONTROLLER
19 IN CONJUNCTION WITH THE C.A.O. IS THAT-- BECAUSE ONCE THE
20 MONEY GOES, IF IT'S NOT CONDITIONED-- IF IT'S NOT CONSTRAINED
21 IN THAT WAY, WE'VE LOST CONTROL.

22

23 **RAYMOND G. FORTNER, JR.:** MADAM CHAIR, SUPERVISOR YAROSLAVSKY,
24 I BELIEVE THAT WE CAN CREATE A MECHANISM THAT WILL HAVE THAT
25 EFFECT WITHOUT RUNNING INTO THOSE RULES THAT THERE ARE ABOUT



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1 THE SHERIFF'S BUDGET AND THE SHERIFF HAVING THE ULTIMATE
2 CONTROL OVER THERE BUT A DRAW DOWN OR SOME SIMILAR MECHANISM
3 LIKE THAT...

4

5 **SUP. YAROSLAVSKY:** SO APPROVING THIS TODAY WITH THIS AMENDMENT
6 IS SUFFICIENT?

7

8 **RAYMOND G. FORTNER, JR.:** I BELIEVE SO.

9

10 **SUP. YAROSLAVSKY:** THANK YOU.

11

12 **SUP. MOLINA, CHAIR:** ALL RIGHT.

13

14 **SUP. KNABE:** MADAM CHAIR, I HAVE A MOTION. WE HAVE HAD A
15 REQUEST, I THINK ALL OF OUR OFFICES HAVE, TO PARTICIPATE IN A
16 MAJOR ARTS PROGRAM HERE IN LOS ANGELES AND JOINING OTHER MAJOR
17 PARTNERS, AND SO THEN I WOULD MOVE THAT WE ALLOCATE \$2 MILLION
18 FROM THE ONE-TIME DESIGNATION MAINTENANCE TO ARTS AND CULTURE
19 L.A.

20

21 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT IS MOVED BY SUPERVISOR
22 KNABE. IS THERE A SECOND? NO SECOND FOR THAT MOTION,
23 SUPERVISOR KNABE. ALL RIGHT. ANYTHING ELSE ON THIS ITEM, ITEM
24 NUMBER 9? ALL RIGHT. THEN, AS A TOTAL, AS A WHOLE, I THINK WE



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1 HAVE TO MOVE FORWARD. TOTAL ALL 9 OR IS INDIVIDUAL MOTIONS
2 ENOUGH? I THINK WE INDIVIDUALLY APPROVED THEM ALL.

3

4 **C.A.O. JANSSEN:** RIGHT. WE COME BACK LATER AND APPROVE THE
5 WHOLE BUDGET, RIGHT.

6

7 **SUP. MOLINA, CHAIR:** WE'LL COME BACK TO THAT AS-- ALL RIGHT.
8 ITEM NUMBER 10.

9

10 **C.A.O. JANSSEN:** ITEM NUMBER 10, COUNTYWIDE CLASSIFICATION
11 ACTIONS TO IMPLEMENT FISCAL YEAR. THERE ARE SOME-- THREE NEW
12 CLASSES ADDED, FOUR DELETED. IT IS, I THINK, A TECHNICAL
13 ADJUSTMENT RELATED TO THE PROPOSED BUDGET.

14

15 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT ITEM IS BEFORE US.

16

17 **SUP. KNABE:** IS THAT ITEM NUMBER 10?

18

19 **SUP. MOLINA, CHAIR:** THIS IS ITEM NUMBER 10.

20

21 **SUP. KNABE:** MOVE IT.

22

23 **SUP. MOLINA, CHAIR:** MOVED BY SUPERVISOR KNABE, SECONDED BY
24 SUPERVISOR YAROSLAVSKY. ANY QUESTION OR COMMENT? IF NOT, SO
25 ORDERED ON THAT ITEM. ITEM NUMBER 11.



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1

2 **C.A.O. JANSSEN:** ITEM NUMBER 11 IS THE STAFFING ORDINANCE
3 RELATED TO THE BUDGET ESTABLISHMENT OF I THINK IT WAS
4 SOMETHING OVER 2,000 POSITIONS. AND, SECONDLY, THERE ARE
5 CHANGES BEING PROPOSED TO TITLE 5, PERSONNEL; TITLE 6,
6 SALARIES, WHICH ARE ENUMERATED IN THE FIRST ATTACHMENT OF THE
7 DOCUMENT.

8

9 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT ITEM IS BEFORE US, ITEM
10 NUMBER 11.

11

12 **CLERK VARONA-LUKENS:** AND MADAM CHAIR, MAY I READ THE...

13

14 **SUP. MOLINA, CHAIR:** THE ORDINANCE PORTION OF IT? ABSOLUTELY.

15

16 **CLERK VARONA-LUKENS:** FOR THE RECORD, AN ORDINANCE AMENDING
17 TITLE 5, PERSONNEL; AND TITLE 6, SALARIES OF THE LOS ANGELES
18 COUNTY CODE BY AMENDING THE COUNTY'S RETIREE HEALTH PROGRAM,
19 AMENDING PROVISIONS OF THE PHYSICIANS PAY PLAN, REVISED NOTES
20 RELATED TO NURSING AND BILINGUAL PAY, MAKING TECHNICAL CHANGES
21 AND CORRECTIONS IN VARIOUS PAY PROVISIONS AND, DELETING IN ITS
22 ENTIRETY, AND ADDING DIVISION 3, DEPARTMENTAL PROVISIONS OF
23 TITLE 6.

24

25 **SUP. MOLINA, CHAIR:** ALL RIGHT. THE ITEM IS BEFORE US.



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1

2 **SUP. KNABE:** MOVE IT.

3

4 **SUP. MOLINA, CHAIR:** MOVED BY SUPERVISOR KNABE, SECONDED BY
5 SUPERVISOR ANTONOVICH. ANY QUESTION OR COMMENT? IF NOT, SO
6 ORDERED ON THAT ITEM.

7

8 **CLERK VARONA-LUKENS:** MADAM CHAIR, EXCUSE ME. MAY I ALSO READ
9 THE INTRODUCTION OF THE ORDINANCE FOR ITEM 10. I DIDN'T DO
10 THAT WHEN YOU BROUGHT IT UP.

11

12 **SUP. MOLINA, CHAIR:** OH, I SEE. ALL RIGHT. IS THAT WE DON'T
13 HAVE TO RECONSIDER IT AT ALL? GO AHEAD.

14

15 **CLERK VARONA-LUKENS:** OKAY. AN ORDINANCE AMENDING TITLE 6,
16 SALARIES OF THE LOS ANGELES COUNTY CODE TO REFLECT THE
17 ESTABLISHMENT OF NEW CLASSES, DELETION OF NON-REPRESENTED
18 CLASSES AND TECHNICAL CORRECTIONS AS THE RESULT OF THE BUDGET
19 PROCESS FOR FISCAL YEAR 2005/2006. THANK YOU.

20

21 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT IS THE ORDINANCE FOR ITEM
22 NUMBER 10. WE TOOK CARE OF ITEM NUMBER 11. ITEM NUMBER 12.

23

24 **C.A.O. JANSSEN:** ITEM NUMBER 12, DEBT MANAGEMENT GUIDELINES,
25 VAN AUTHORIZATION. THIS IS A-- IT'S DONE EVERY YEAR. I BELIEVE



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1 IT'S ROUTINE. APPROVE THE ATTACHED DEBT MANAGEMENT GUIDELINES,
2 APPROVE THE ISSUANCE OF SHORT-TERM BOND ANTICIPATION NOTES FOR
3 CAPITAL ASSET, LEASING CORPORATION AND THE RESOLUTION OF THE
4 BOARD ON ITS INTENTION TO REIMBURSE CERTAIN CAPITAL
5 EXPENDITURES. THE ITEM SHOWS IN THE BACKUP THE DEBT RATIOS OF
6 THE COUNTY WERE REALLY IN PRETTY GOOD SHAPE WITH RESPECT TO
7 THE TOTAL COUNTY BUDGET. THE MAXIMUM LIMIT PER GUIDELINES
8 ESTABLISHED QUITE A FEW YEARS AGO IS 2.4%. WE'RE AT JUST
9 SLIGHTLY OVER 2%. ON LONG-TERM OBLIGATIONS, THE MAXIMUM IS
10 FOUR. WE'RE AT 2.99 AND, ON INTERMEDIATE TERM LEASES, THE
11 MAXIMUM IS .4. WE'RE AT .13.

12

13 **SUP. KNABE:** MOVE RECOMMENDATION.

14

15 **SUP. MOLINA, CHAIR:** ALL RIGHT. SECONDED BY MS. BURKE. ALL
16 RIGHT. IS THERE ANY QUESTION OR COMMENT? THEY'RE APPROPRIATELY
17 CONSERVATIVE, RIGHT, DAVID?

18

19 **C.A.O. JANSSEN:** THAT'S RIGHT.

20

21 **SUP. MOLINA, CHAIR:** IF THERE IS NO OBJECTION, SO ORDERED ON
22 ITEM NUMBER 12. ITEM NUMBER 13.

23

24 **C.A.O. JANSSEN:** ITEM NUMBER 13 IS A REPORT THAT, ACTUALLY, WE
25 FILED WITH YOUR BOARD I THINK LAST MONTH. IT HAD TO DO WITH



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1 THE STORM DAMAGE FROM THE FLOODS, WHICH NOW SEEM LIKE A LONG
2 MEMORY, BUT THERE ARE STILL ROADS THAT ARE NOT OPEN AND
3 BEACHES THAT HAVE NOT BEEN REPAIRED. WE INDICATED IN THE
4 REPORT HOW THE ROAD DEPARTMENT IS PLANNING TO RESTORE ALL OF
5 THE ROADS. YOU ADDED \$10 MILLION GENERAL FUND AS PART OF AN
6 EARLIER ACTION TO THEM AND, WITH RESPECT TO FLOOD DAMAGE, IN
7 THE CHANGE LETTER, WE INCLUDED ANOTHER \$8.6 MILLION TO DEAL
8 WITH THE DAMAGE TO THE BEACHES. SO, AT THIS POINT, I BELIEVE,
9 IF THERE ARE NO QUESTIONS, THIS IS A RECEIVE AND FILE.

10

11 **SUP. MOLINA, CHAIR:** ALL RIGHT. THIS IS A RECEIVE AND FILE
12 REPORT. ANY QUESTION OR COMMENT? ALL RIGHT. ITEM NUMBER 14.

13

14 **C.A.O. JANSSEN:** 14, WE DID. THAT WAS HEALTH DEPARTMENT.

15

16 **SUP. MOLINA, CHAIR:** OH, THAT'S RIGHT. 14, WE DID DO.

17

18 **C.A.O. JANSSEN:** ITEM 15, HOWEVER, IS A REPORT ON THE COUNTY'S
19 PSYCHIATRIC EMERGENCY SERVICES SYSTEM. THIS IS A PROBLEM. I
20 BELIEVE MR. SOUTHARD IS HERE AND MAYBE DR. GARTHWAITE, TO
21 DISCUSS WHAT THEIR PLAN IS TO HELP REDUCE, MITIGATE THE
22 OVERCROWDING THAT EXISTS IN OUR EMERGENCY ROOMS. WE DID ADD
23 10.9 MILLION IN GENERAL FUND ONE TIME TO BRIDGE A GAP BETWEEN
24 CURRENT OPERATIONS AND HOPE FOR PROP 63 DOLLARS WHICH WERE



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1 APPROVED BY THE VOTERS AND LET ME TURN IT OVER TO MARV AND SEE
2 IF HE HAS ANY COMMENTS.

3

4 **SUP. MOLINA, CHAIR:** THESE ARE IMPORTANT ISSUES FOR THE COUNTY.
5 IF I CAN TURN IT OVER TO DR. SOUTHARD AND DR. GARTHWAITE FOR A
6 DISCUSSION IN THIS AREA.

7

8 **SUP. KNABE:** COULD I JUST ADD AN AM-- I WANT TO PASS OUT AN
9 AMENDMENT THAT ALSO WE DIRECT THE DEPARTMENT, DIRECTOR OF
10 MENTAL HEALTH TO REPORT BACK THE IMPACT OF THIS EXPENDITURE ON
11 THE LAW ENFORCEMENT REFERRAL BEDS AS WELL, TOO, AS PART OF IT.

12

13 **MARVIN J. SOUTHARD:** MARV SOUTHARD, DIRECTOR OF DEPARTMENT OF
14 MENTAL HEALTH. SUPERVISORS, THIS AMOUNT OF MONEY REPRESENTS A
15 PIECE OF AN OVERALL PLAN TO MITIGATE THE OVERCROWDING IN THE
16 PSYCHIATRIC EMERGENCY ROOMS. THE FIRST PIECE OF THOSE ACTIONS,
17 THOSE THINGS THAT WE COULD UNDERTAKE IN OUR EXISTING BUDGET,
18 WE HAVE ALREADY DONE. WE HAVE ALREADY PURCHASED SOME BEDS IN
19 THE COMMUNITY AND TAKEN THOSE ACTIONS THAT WE COULD TAKE. THIS
20 10.9 WILL ALLOW US TO TAKE FURTHER ACTIONS UNTIL THE FUNDS
21 FROM THE MENTAL HEALTH SERVICES ACT BECOME AVAILABLE. THE
22 MENTAL HEALTH SERVICES ACT WILL BE ABLE TO FUND SOME OF THE
23 ACTIVITIES IN THIS PACKAGE AND MAY NOT BE ABLE TO FUND OTHER
24 ACTIVITIES. SO, FOR EXAMPLE, THE I.M.D. EXPANSION AND
25 INPATIENT BEDS MAY NOT BE FUNDABLE IN THE LONG TERM AND SO



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1 THIS-- THIS 10.9 FUNCTIONS IN TWO WAYS: BRIDGE TO THE MENTAL
2 HEALTH SERVICES ACT AND FUNDING FOR THOSE THINGS THAT THE
3 MENTAL HEALTH SERVICES ACT WILL NOT PAY FOR.

4

5 **SUP. KNABE:** I THINK IT'S JUST A RECEIVE AND FILE.

6

7 **SUP. ANTONOVICH:** OKAY. RECEIVE AND FILE. MOTION...

8

9 **SUP. KNABE:** WITH THAT AMENDMENT THAT I ADDED, THOUGH.

10

11 **SUP. ANTONOVICH:** AS AMENDED BY KNABE. WITHOUT OBJECTION, SO
12 ORDERED.

13

14 **SUP. MOLINA, CHAIR:** BOY, YOU WERE QUICK! [LAUGHTER] THANK
15 YOU. THIS IS THE RIGHT ONE. ON APRIL 26, THE BOARD OF
16 SUPERVISORS DIRECTED THE DEPARTMENT OF MENTAL HEALTH, THE
17 DEPARTMENT OF HEALTH SERVICES AND THE C.A.O. TO IMMEDIATELY
18 IMPLEMENT RECOMMENDATIONS TO ALLEVIATE THE OVERCROWDING AT THE
19 COUNTY'S FOUR PSYCHIATRIC EMERGENCY DEPARTMENTS. THE C.A.O.
20 COMMITTED TO WORK WITH THE DEPARTMENTS TO IDENTIFY FUNDING TO
21 CARRY OUT THESE RECOMMENDATIONS. RECOGNIZING THAT THE
22 DEPARTMENT OF MENTAL HEALTH FACES A PROJECTED 30 MILLION
23 DEFICIT, THE C.A.O. IS PROPOSING A 10.9 MILLION ONE-TIME FUNDS
24 TO IMPLEMENT THESE RECOMMENDATIONS FOR THE PROVISION OF 107
25 ADDITIONAL BEDS. THE BOARD SHOULD ENSURE THAT THESE FUNDS ARE



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1 DEDICATED TO THE DECOMPRESSION OF THE COUNTY'S HOSPITAL
2 PSYCHIATRIC EMERGENCY SERVICES. WE THEREFORE MOVE THAT THE
3 BOARD OF SUPERVISORS DIRECT THE C.A.O. TO TRANSFER THE 10.9
4 MILLION IN A PROPOSED ONE-TIME NET COUNTY COST FUNDING FOR THE
5 DEPARTMENT OF MENTAL HEALTH TO PROVISIONAL FINANCE USES AND
6 THAT THE C.A.O. AND DEPARTMENT OF MENTAL HEALTH RETURN TO THE
7 BOARD WITH A PLAN FOR THE USE OF THIS FUNDING FOR THE PURCHASE
8 OF ADDITIONAL INPATIENT AND RESIDENTIAL BEDS TO DECOMPRESS OUR
9 PSYCHIATRIC EMERGENCY DEPARTMENT. WE FURTHER MOVE THAT THE
10 DEPARTMENT OF MENTAL HEALTH AND THE C.A.O. IDENTIFY FUTURE
11 FUNDING FOR THE PROVISION OF THE 107 BEDS TO DECOMPRESS THE
12 COUNTY'S PSYCHIATRIC EMERGENCY ROOMS AND REPORT BACK WITHIN 90
13 DAYS. SECONDED BY SUPERVISOR YAROSLAVSKY. IS THERE ANY
14 QUESTION OR COMMENT ON THAT AMENDMENT? IF NOT, SO ORDERED ON
15 THAT ITEM. AND AS WELL AS ON SUPERVISOR KNABE'S ITEM. ALL
16 RIGHT. THAT COMPLETES THAT. WE ALREADY DID ITEM NUMBER 16.
17 NUMBER 17.

18

19 **C.A.O. JANSSEN:** ALL RIGHT. ITEM NUMBER 17 RESPONDS TO TWO
20 DIRECTIONS FROM THE BOARD WITH RESPECT TO THE SHERIFF'S
21 DEPARTMENT, THE FIRST HAVING TO DO WITH RECRUITMENT AND
22 TRAINING; THE SECOND WITH A MULTI-YEAR RESTORATION PLAN FOR
23 UNINCORPORATED AREA OF PATROLS. WITH RESPECT TO THE FIRST
24 PROPOSAL, THE SHERIFF REQUESTED \$9.2 MILLION FOR RECRUITMENT.
25 WE ARE RECOMMENDING, BOTH IN THE PROPOSED BUDGET AND CHANGE



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1 LETTER COMBINED, \$7.8 MILLION. THE 1.4 MILLION DOLLAR
2 DIFFERENCE, WE ARE NOT, AT THIS POINT, RECOMMENDING FUNDING
3 FOR THE FOSTER YOUTH WORKER PROGRAM OR PROFESSIONAL STAFF EXAM
4 UNIT BUT ARE SUPPORTING \$7.8 MILLION FOR THE SHERIFF FOR
5 RECRUITMENT PURPOSES. THE MULTI-YEAR RESTORATION PLAN IS ALSO
6 ATTACHED. THE SHERIFF HAS INDICATED IN IT BY PHASES AND BY
7 FUNCTIONS, A 20-MILLION-DOLLAR RESTORATION PLAN, STARTING WITH
8 UNINCORPORATED PATROL, THEN DETECTIVES, TOWN SHERIFF AND THEN
9 RESERVE COORDINATORS AND SERGEANTS. HE ALSO INDICATES, THOUGH,
10 AS A MATTER OF PRACTICALITY, HE WILL NOT BE ABLE, UNTIL
11 '07/'08, TO START ADDING ANY OF THESE POSITIONS BECAUSE OF THE
12 RECRUITMENT REQUIREMENTS NECESSARY TO REOPEN THE JAILS AND TO
13 STAFF THE C.O.P.S. DEPUTIES, WHICH ARE PART OF THE
14 UNINCORPORATED AREA ADDITIONS. WE'RE RECOMMENDING, THOUGH, OR
15 WE DID RECOMMEND, AS PART OF THE BUDGET, THAT \$13.7 MILLION BE
16 PUT IN A DESIGNATION FOR THIS PURPOSE. IT'S-- TALK ABOUT
17 CONSERVATIVE, IT'S TWO YEARS AHEAD OF ITS TIME AND THAT
18 REVENUE IS OUT OF INCREASED CONTRACT CITIES REVENUE THAT IS A
19 RESULT OF THE NORMAL INCREASE IN THEIR BUDGET. JUST TO BE
20 CLEAR, IT DOES NOT ADDRESS THE PENDING ISSUE WITH CONTRACT
21 CITIES THAT'S BEEN ON THE TABLE FOR A YEAR. THIS IS THEIR
22 REGULAR ADJUSTMENT THAT WE WOULD USE. WE WOULD ALSO PROPOSE
23 AND CERTAINLY WE CAN TALK ABOUT IN '07/'08, SHIFTING 4.6
24 MILLION FROM THE RECRUITMENT OPERATION INTO THE UNINCORPORATED
25 AREAS. SO THIS IS AN '07/'08 BUDGET ITEM. WE ARE, IN FACT,



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1 PROPOSING, AT THIS TIME, TO ALLOCATE ALMOST \$18 MILLION OF IT
2 BUT CLEARLY SOMETHING THAT WE'LL ADDRESS TWO YEARS FROM NOW.

3

4 **SUP. ANTONOVICH:** JUST ONE POINT. BUT FOR THE UNINCORPORATED
5 AREAS AND FOR DETECTIVES THERE, THEY CAN DRAW DOWN THESE
6 FUNDS?

7

8 **C.A.O. JANSSEN:** EXCUSE ME?

9

10 **SUP. ANTONOVICH:** FOR THE UNINCORPORATED AREAS OF PATROL AND
11 DETECTIVES, THEY CAN DRAW DOWN THESE FUNDS?

12

13 **C.A.O. JANSSEN:** WELL, THE FUNDS WILL BE SET ASIDE IN A
14 DESIGNATION. THE SHERIFF-- THEY CERTAINLY ARE AVAILABLE IF THE
15 SHERIFF CAN STAFF.

16

17 **SUP. MOLINA, CHAIR:** AND I HAVE A MOTION THAT SORT OF ADDRESSES
18 SOME OF THAT AREA. RECRUITMENT OF NEW DEPUTIES CONTINUES TO BE
19 A CHALLENGE FOR THE SHERIFF'S DEPARTMENT. THERE ARE CURRENTLY
20 OVER 850 SWORN PERSONNEL VACANCIES AND THE BOARD HAS MADE
21 RESTORING DEPUTIES AT COUNTY JAIL FACILITIES TO REDUCE THE
22 EARLY RELEASE OF INMATES A PRIORITY. HOWEVER, THERE CONTINUES
23 TO BE A GREAT NEED TO INCREASE PATROL IN THE UNINCORPORATED
24 AREAS THROUGHOUT THE COUNTY. ON MAY 10TH OF 2005, THE BOARD OF
25 SUPERVISORS APPROVED A MOTION REQUESTING THE C.A.O. AND THE



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1 SHERIFF'S DEPARTMENT TO PREPARE A MULTI-YEAR RESTORATION PLAN
2 FOR UNINCORPORATED PATROLS AND DETECTIVES. THE REPORT WAS TO
3 ALSO CONSIDER, AMONG OTHER FACTORS, RESPONSE TIMES AND
4 POPULATION GROWTH. IN THIS REPORT, THE SHERIFF INFORMS US THAT
5 THE EARLIEST VACANCIES IN THE UNINCORPORATED AREAS WILL BE
6 RESTORED PROBABLY IN FISCAL YEAR 2007/2008. HOWEVER, NO
7 DETAILS ARE PROVIDED ON HOW VACANCIES WILL BE FILLED ACCORDING
8 TO PRIORITY. I THEREFORE MOVE THE SHERIFF AND THE C.A.O.
9 PREPARE A MORE DETAILED PLAN ON HOW TO FILL VACANCIES IN
10 UNINCORPORATED AREAS BASED ON NEED, WHICH SHOULD INCLUDE THE
11 FOLLOWING FACTORS: CALLS FOR SERVICE, RESPONSE TIME,
12 POPULATION GROWTH AND CRIME STATISTICS. HOPEFULLY, WE CAN GET
13 THAT REPORT WITHIN 90 DAYS.

14

15 **SUP. ANTONOVICH:** SECOND.

16

17 **SUP. MOLINA, CHAIR:** SECONDED BY SUPERVISOR ANTONOVICH. ANY
18 QUESTION OR COMMENT ON THAT ITEM? IF NOT, SO ORDERED. ALL
19 RIGHT. ITEM NUMBER...

20

21 **C.A.O. JANSSEN:** 18, IS APPROVE THE REVISED FIGURES AND DIRECT
22 THE AUDITOR TO PREPARE AND PRESENT THE RESOLUTION FOR BOARD
23 ADOPTION. RECOMMEND APPROVE.

24



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1 **SUP. MOLINA, CHAIR:** ALL RIGHT. THAT ITEM IS BEFORE US, THE
2 BUDGET. DID YOU WANT US...

3

4 **C.A.O. JANSSEN:** WELL, THIS IS DIRECTING THE AUDITOR TO DO IT.
5 I THINK THE BUDGET IS ACTUALLY ITEM 20.

6

7 **SUP. MOLINA, CHAIR:** RIGHT.

8

9 **C.A.O. JANSSEN:** OR MAYBE WE CAN DO THEM AT THE SAME TIME. WE
10 CAN DO THEM AT THE SAME TIME. WE'LL DO ITEM 18...

11

12 **SUP. KNABE:** I'LL SECOND MIKE'S MOTION.

13

14 **C.A.O. JANSSEN:** NO, I CAN'T DO 9-- WE HAVE TO DO 19 FIRST SO
15 LET'S DO 19 AND THEN...

16

17 **SUP. MOLINA, CHAIR:** ALL RIGHT. LET'S DO ITEM NUMBER 19 BECAUSE
18 THE CONTROLLER'S ALREADY HERE.

19

20 **C.A.O. JANSSEN:** YEAH. ITEM 19 ARE TECHNICAL APPROVALS TO ALLOW
21 US TO MANAGE THE BUDGET BASICALLY DURING THE YEAR. SO I WOULD
22 RECOMMEND THAT YOU APPROVE ITEM 19.

23



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1 **SUP. MOLINA, CHAIR:** ALL RIGHT. ITEM NUMBER 19, THOSE ITEMS ARE
2 ALL IDENTIFIED THERE? MOVED BY SUPERVISOR ANTONOVICH, SECONDED
3 BY SUPERVISOR KNABE. ANY OBJECTIONS? SO ORDERED.

4

5 **C.A.O. JANSSEN:** OKAY.

6

7 **SUP. MOLINA, CHAIR:** ALL RIGHT. LET'S GO TO ITEM 18.

8

9 **C.A.O. JANSSEN:** WE CAN DO 18 AND 20.

10

11 **SUP. MOLINA, CHAIR:** AND 20 TOGETHER.

12

13 **C.A.O. JANSSEN:** AT THE SAME TIME.

14

15 **J. TYLER MCCAULEY:** I'M TYLER MCCAULEY, AUDITOR CONTROLLER.
16 MADAM CHAIR, MEMBERS OF THE BOARD, WE HAVE THE INFORMATION TO
17 PREPARE THE FINAL BUDGETS IN ACCORDANCE WITH YOUR
18 DELIBERATION.

19

20 **SUP. MOLINA, CHAIR:** VERY GOOD. SO THE BUDGET IS BEFORE US.
21 SUPERVISOR ANTONOVICH, YOU'RE GOING TO MOVE THE BUDGET?

22

23 **SUP. ANTONOVICH:** I'LL MOVE IT BECAUSE OF ONE MAIN REASON AND
24 THAT'S THIS BUDGET IS REFLECTING PUBLIC SAFETY ENHANCEMENTS.
25 THERE WILL BE OVER 1,200 SHERIFF'S DEPUTIES IN THIS BUDGET.



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1 THERE ARE ADDITIONAL FUNDS TO HELP THE DISTRICT ATTORNEY WITH
2 THE HARD CORE GANG UNITS. THERE'S ADDITIONAL FUNDS FROM THE
3 PUBLIC DEFENDER'S OFFICE AS WELL TO HELP THEM WITH THEIR
4 PROCESS, ALONG WITH OTHER ENHANCEMENTS. THE UNINCORPORATED
5 AREAS ARE MOVING FORWARD TO ENHANCE THEIR ABILITY TO HAVE
6 PATROLS AND LAW ENFORCEMENT. SO, WHILE WE CAN'T AGREE WITH
7 EVERYTHING IN THE BUDGET, WE HAVE MADE A MAJOR STEP FORWARD IN
8 ADDRESSING PUBLIC SAFETY NEEDS AND THAT'S WHY I WOULD SUPPORT
9 THIS BUDGET AND I WOULD COMMEND THE CHIEF ADMINISTRATIVE
10 OFFICE AND OUR STAFFS, WHO HAVE WORKED TOGETHER TO MAKE A BIG
11 STEP FORWARD FROM WHEN WE HAD THE PRELIMINARY BUDGETS SO THANK
12 YOU FOR THAT.

13

14 **SUP. KNABE:** I'LL SECOND.

15

16 **SUP. MOLINA, CHAIR:** ALL RIGHT. IT'S BEEN MOVED AND SECONDED.
17 LET ME JUST ADD THAT WE ARE VERY FORTUNATE TO BE IN THIS KIND
18 OF FINANCIAL SHAPE. I THINK IT REALLY IS REFLECTIVE OF THE
19 LEADERSHIP OF THIS BOARD, WHO HAS HAD TO BE VERY CONSERVATIVE
20 AND HAD TO MAKE TOUGH DECISIONS AT VERY TOUGH TIMES AND I'M
21 GLAD THAT WE'RE NOT HAVING TO DEAL WITH THAT NOW BUT WE ALSO
22 HAVE AN OPPORTUNITY TO DO NOT ONLY RESTORATION AND PUBLIC
23 SAFETY, WHICH WE SHOULD BE VERY, VERY PROUD OF, BUT, IN
24 PARTICULAR, IN OTHER AREAS, AS WE JUST DID; IN THE HOMELESS
25 AREA, WHICH IS A COUNTY DUTY AND RESPONSIBILITY. WE'RE



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1 FORTUNATE TO HAVE THE KIND OF DOLLARS TO MAKE THAT INVESTMENT
2 AND HOPEFULLY THEY'RE THE KIND OF INVESTMENTS THAT ARE GOING
3 TO HAVE AN IMPACT AND NOT JUST THROWING MONEY AT HOMELESS
4 ISSUES. WE'RE ALSO IMPRESSED WITH THE KIND OF WORK THAT'S
5 GOING ON IN THE UNINCORPORATED AREAS AND, UNFORTUNATELY, DON'T
6 GET THE KIND OF ATTENTION THAT THEY SHOULD BE GETTING,
7 PARTICULARLY WHEN IT COMES TO RESOURCES. AND, OF COURSE, IN
8 OTHER AREAS. THE DEPARTMENT OF HEALTH, WHETHER WE-- YOU KNOW,
9 IS LOOKING HEALTHIER THAN IT HAS EVER BEFORE. IT'S BEEN SO
10 UNFORTUNATE WHEN WE'VE HAD TO MAKE THOSE KIND OF CUTS BUT
11 THERE'S STILL CHALLENGES BEFORE US IN MANY, MANY RESPECTS. I
12 THINK WE CAN SAY THAT WE'RE KIND OF GRATEFUL TO BE SITTING
13 HERE AND BEING ABLE TO VOTE ON A BUDGET AT THE MAGNITUDE OF
14 DOLLARS THAT WE HAVE, PROBABLY ONE OF THE LARGEST BUDGETS IN
15 THE COUNTRY, BUT THE REALITY IS THE RESOURCES, AS WELL AS THE
16 RESPONSIBILITIES, WHILE WE ARE FORTUNATE THE RESOURCES ARE
17 THERE, THE RESPONSIBILITIES CONTINUE TO ESCALATE. AND SO,
18 HOPEFULLY, WE ARE GOING TO MAKE GOOD USE, ALL THE DEPARTMENTS
19 WILL UTILIZE THEIR FUNDS AND THESE EXTRA DOLLARS THAT ARE
20 GOING INTO MANY OF THESE DEPARTMENTS TO BRING DOWN THE CRIME,
21 KEEP MANY OF OUR-- MORE OF OUR FOLKS IN DETENTION, AS SHOULD
22 BE, INSTEAD OF THE EARLY RELEASES, HAVE THE KIND OF
23 PROSECUTIONS THAT WE NEED TO HAVE IN ORDER TO MAKE OUR
24 COMMUNITY SAFER BUT ALSO, AS IMPORTANTLY, TO MAKE SURE THAT
25 WE'RE PROVIDING THE KIND OF SUPPORTIVE SERVICES THAT EVERY



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1 SINGLE COUNTY RESIDENT IS ENTITLED TO AS THEY BRING US THE
2 RESOURCES THAT ARE SO VITAL TO THE WELLBEING OF THE ENTIRE
3 COUNTY. I WANT TO THANK THE C.A.O. AND HIS STAFF FOR THE WORK
4 THAT THEY DID, ALL OF THE DEPARTMENTS AS WELL FOR THEIR
5 LEADERSHIP AND BRINGING ABOUT A VERY STABLE BUDGET IN MANY
6 AREAS. AND I ALSO WANT TO THANK ALL OF OUR STAFFS. I
7 UNDERSTAND THAT THEY'VE BEEN DELIBERATING AND WORKING
8 REGULARLY IN TRYING TO FIND A WAY THAT WE COULD, AT THE SAME
9 TIME, MAKE SURE THAT WE'RE UTILIZING THESE DOLLARS WELL BUT,
10 MORE IMPORTANTLY, THAT WE'RE ALSO APPROVING THEM FROM THE
11 STANDPOINT IN A CONSERVATIVE FASHION SO THAT WE'RE NOT GOING
12 TO GO OVERBOARD. SO I WANT TO THANK ALL OF THE STAFFS THAT
13 PLAYED A CRITICAL ROLE. I WANT TO PARTICULARLY THANK LUISA
14 FROM MY OFFICE, WHO WAS INSTRUMENTAL IN PUTTING IT TOGETHER
15 FOR MANY OF US AND I THINK ALL OF THE BUDGET DEPUTIES DESERVE
16 A COMMENDATION FROM ALL OF US SINCE THEY DID ALL THE HEAVY
17 LIFTING ON OUR BEHALF. SO WE WANT TO THANK THEM AS WELL.
18 SUPERVISOR YAROSLAVSKY?

19

20 **SUP. YAROSLAVSKY:** MADAM CHAIR. FIRST, LET ME THANK YOU AND
21 YOUR STAFF FOR HELPING TO BRING THIS TOGETHER AND ALL THE
22 OTHER STAFFS AS WELL, MY COLLEAGUES AND THE C.A.O. AS WELL. I
23 KNOW HE'S WORKED AND HIS STAFF HAVE WORKED HARD. THIS IS A
24 GROWTH BUDGET, IT'S A HUGE GROWTH BUDGET AND I THINK WE'VE--
25 I'M GOING TO SUPPORT IT. YOU'VE BEEN RESPONSIVE TO THE



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1 CONCERNS I RAISED A COUPLE OF MONTHS AGO ABOUT THE HEALTH
2 DEPARTMENT. I'M STILL CONCERNED ABOUT THE HEALTH DEPARTMENT.
3 UNFORTUNATELY, THERE'S JUST NO WAY TO PREDICT WHAT THE-- ONE
4 STROKE OF A PEN CAN COST US A HUNDRED OR 200 MILLION DOLLARS
5 AND WE JUST DON'T KNOW WHEN THAT STROKE OR WHERE THAT STROKE
6 IS GOING TO COME BUT THE DEFICIT, AT LEAST GOING INTO THE
7 FISCAL YEAR AFTER NEXT, HAS BEEN CUT, ON TODAY'S ASSUMPTIONS,
8 BY OVER HALF AND I THINK IT SUGGESTS THAT THERE IS A
9 COMMITMENT IN THIS ORGANIZATION TO TRY TO KEEP THE BASIC LEVEL
10 OF HEALTHCARE SERVICES AFLOAT, EVEN AT A TIME WHEN IT'S
11 INCREASINGLY DIFFICULT TO DO SO. I ALSO WANT TO SAY THAT, IN
12 THE 10 YEARS THAT I'VE BEEN HERE, IT SURE IS A-- THE REASON
13 WE'RE IN THIS SITUATION IS TWOFOLD. ONE, LET'S TELL IT LIKE IT
14 IS. IT'S BEEN A GOOD COUPLE OF YEARS OF PROPERTY TAX GROWTH
15 AND SALES TAX GROWTH BUT THE PRIMARY REASON WE'RE HERE IN THIS
16 POSITION IS BECAUSE THIS BOARD HAS REFRAINED FROM DOING SOME
17 OF THE THINGS THAT OTHER COLLEAGUES OF OURS IN OTHER CITIES
18 AND OTHER COUNTIES HAVE DONE. WE HAVE NEGOTIATED FAIR
19 CONTRACTS WITH OUR EMPLOYEES, AND I THINK THE EMPLOYEES ARE
20 ONE OF THE REASONS WE'RE IN THE GOOD SITUATION WE'RE IN AND
21 WE'RE NOT TEETERING AND I THINK THEY OUGHT TO BE COMMENDED.
22 I'M SURE THEY WILL REMIND US OF THAT WHEN THEIR NEXT CONTRACTS
23 COME UP BUT THEY TOOK A RISK, ESPECIALLY LOCAL 660, OF THE
24 SERVICE EMPLOYEES INTERNATIONAL UNION A COUPLE OF YEARS AGO,
25 AND-- WHEN NONE OF US KNEW WHAT THE FUTURE WAS GOING TO BRING,



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1 AND SO I THINK THEY NEED TO BE SINGLED OUT, ALONG WITH ALL THE
2 OTHER UNIONS WHO HAVE SIGNED CONTRACTS WITH US. BUT THIS BOARD
3 HAS REFRAINED FROM EXCESSIVE BORROWING. WE HAVE LIVED WITHIN
4 OUR MEANS IN THESE YEARS. WE GOT A WAKE-UP CALL IN 1995 AND WE
5 HAVE STUCK BY A CERTAIN PRINCIPLE OF LIVING WITHIN OUR MEANS.
6 WE HAVE, EVEN IN THIS BUDGET, WHICH HAS GROWN A BILLION AND A
7 HALF OR \$2 BILLION OVER THE LAST YEAR'S BUDGET, MOST OF THE
8 FUNDS IN THIS BUDGET ARE BEING INVESTED IN ONE-TIME-- ONE-TIME
9 EXPENDITURES TO DEAL WITH SOME OF THE CAPITAL PROJECTS THAT
10 HAVE BEEN LANGUISHING BECAUSE OF THE FISCAL PROBLEMS WE HAD IN
11 PREVIOUS YEARS. AND THAT WHICH WE HAVEN'T PUT IN ONE-TIME
12 COSTS HAVE GONE INTO PUBLIC SAFETY AND HEALTH, WHICH ARE TWO
13 OF THE MOST IMPORTANT RESPONSIBILITIES WE HAVE. SO I JUST WANT
14 TO-- I THINK WE HAVE-- AND I'M GLAD MR. JANSSEN READ FROM THE
15 MOODY'S REPORT, BECAUSE I THINK IT-- IT'S NOT THE FIRST TIME
16 THAT THE RATING AGENCIES HAVE DECIDED THIS BOARD'S COMMITMENT,
17 THE FISCAL RESPONSIBILITY. WE ARE ONE OF THE LAST OF THE
18 MOHICANS WHEN IT COMES TO FISCAL RESPONSIBILITY IN PUBLIC-- IN
19 THE PUBLIC SECTOR AND WE TAKE A BIT OF HEAT FOR IT, SOME OF US
20 INDIVIDUALLY AND THEN SOME OF US COLLECTIVELY, FROM INTEREST
21 GROUPS WHO THINK WE OUGHT TO JUST BE GOING CRAZY WITH FUNDING
22 EVERY CHRISTMAS TREE ORNAMENT THAT COULD POSSIBLY BE IMAGINED.
23 WE HAVE NOT DONE THAT AND THAT'S WHY WE'RE IN A POSITION TODAY
24 TO DO SOME OF THE THINGS WE'RE DOING AND THAT'S WHY WE WERE IN
25 A POSITION LAST YEAR TO DO SOME OF THE THINGS WE'RE DOING. WE



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1 HAVEN'T EVISCERATED THE VERY BASIC SERVICES THAT PEOPLE DEPEND
2 ON. AND, AS MS. MOLINA KNOWS, BECAUSE SHE'S SERVED IN THE CITY
3 OF LOS ANGELES, AND I KNOW I SERVED IN THE CITY OF LOS
4 ANGELES, THE STUFF WE DO IN THIS COUNTY, WE DO EXTREMELY--
5 MOST OF THE THINGS WE DO, WE DO EXTREMELY WELL. THERE ARE ONE
6 OR TWO EXCEPTIONS. AND ESPECIALLY IN THE DELIVERY OF MUNICIPAL
7 SERVICES TO OUR UNINCORPORATED AREAS. THERE'S REALLY NO
8 COMPARISON IN THE FREQUENCY, IN THE QUALITY OF THE WORK, IT'S
9 PRIMARILY THE FREQUENCY BECAUSE THIS COUNTY HAS ALWAYS, MUCH
10 TO THE CHAGRIN OF THOSE OF US DOWN THE STREET WHEN WE WERE
11 DOWN THE STREET, MAKES A HUGE INVESTMENT IN THOSE BASIC
12 SERVICES THAT WE ARE HIRED AND ELECTED TO PROVIDE. SO I-- I
13 WAS CONCERNED, A COUPLE OF MONTHS AGO, THAT WITH ALL OF THIS
14 GROWTH IN THE BUDGET THAT WE WERE GOING TO LEAVE THE HEALTH
15 DEPARTMENT WITH NEARLY A HALF BILLION DOLLAR DEFICIT GOING
16 INTO '06/'07. YOU'VE ADDRESSED THAT, IN PART, AND I SUSPECT
17 WE'LL BE ADDRESSING IT IN THE MONTHS AHEAD. AND I WAS
18 CONCERNED THAT WE WERE GOING TO GO ON A SPENDING SPREE THAT WE
19 COULD NOT SUSTAIN. IT'S NOT WHAT THIS BUDGET IS, IT'S
20 SUSTAINABLE AND MORE THAN SUSTAINABLE. IN A PINCH, WE'LL BE IN
21 A POSITION TO-- IF THINGS SHOULD REVERSE, WE'LL HAVE A WAY OUT
22 OR A CUSHION TO BE ABLE TO DEAL WITH IT, WHICH WE HAD IN THE
23 EARLY PART OF THIS DECADE, THE LATTER PART OF THE '90S, WHEN
24 WE DID HAVE THAT PROBLEM, WHICH WE DIDN'T HAVE IN 1995 WHEN
25 THERE WERE THREATS TO CLOSE DOWN THE BIGGEST HOSPITAL IN THE



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1 COUNTY AND A FEW OTHER THINGS. SO I WANT TO-- WANT TO JUST--
2 IT'S NOT A GOOD THING TO CONGRATULATE OURSELVES BUT I DO
3 BELIEVE THAT THE REASON WE'RE IN THIS POSITION IS BECAUSE OF A
4 SUSTAINED POLICY OF FISCAL RESPONSIBILITY AT THIS COUNTY. YOU
5 TAKE ISSUE WITH ONE OR TWO OR TEN OR A HUNDRED DECISIONS WE'VE
6 MADE BUT, OVER THESE YEARS, THERE'S BEEN A SUSTAINED POLICY
7 THAT'S BEEN GUIDED BY ONE PRINCIPLE: LIVE WITHIN YOUR MEANS.
8 AND I WANT TO THANK ALL OF MY COLLEAGUES FOR ADHERING TO THAT.
9 WE'VE ALL DONE THIS TOGETHER AND IT'S NOT EASY. THIS IS A BIG
10 OPERATION. MR. ANTONOVICH IS FOND OF DESCRIBING HOW DIFFICULT
11 IT IS WHEN HE GOES OUT-- OUTSIDE THE COUNTRY, EXPLAINING WHAT
12 A COUNTY SUPERVISOR DOES. I HAVE-- YOU SUGGESTED CALLING THE
13 CHAIR THE MAYOR AT ONE TIME. I HAVE A BETTER SUGGESTION.
14 WHENEVER I WANT TO EXPLAIN WHAT WE DO, I SAY WE HAVE AN 18-
15 BILLION-DOLLAR BUDGET AND 90,000 EMPLOYEES AND THAT'S ALL A
16 PRIME MINISTER OR A FOREIGN MINISTER NEEDS TO HEAR, BECAUSE
17 IT'S BIGGER THAN MOST COUNTRIES, IT'S ABSOLUTELY BIGGER THAN
18 MOST COUNTRIES AND IT'S NOT GOVERNED IN THE BEST POSSIBLE WAY.
19 I THINK THERE ARE A LOT OF DRAWBACKS TO THAT AND WE STILL
20 MANAGE TO GET TO WHERE WE'VE DONE THIS. MADAM CHAIR, WE HAVE
21 ONE ISSUE WE'RE GOING TO HAVE TO DEAL WITH IN THE WEEKS AHEAD,
22 WE ALL KNOW WHAT IT IS, AND NOTHING WE DO HERE TODAY WILL
23 MATTER IF, AT THE END OF THE DAY, WE AREN'T ABLE TO TURN NOT
24 ONLY THE HEALTH DEPARTMENT AROUND, BUT SPECIFICALLY KING DREW
25 MEDICAL CENTER AROUND. I KNOW WE'RE ALL COMMITTED TO DOING



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1 THAT. WE'VE GOT TO KEEP THE PRESSURE ON OURSELVES TO DO THAT
2 BECAUSE IT WILL-- IT WILL DEFINE, MORE THAN THIS BUDGET WILL,
3 HOW WE'VE DONE OUR JOBS. SO I REALLY HOPE THAT WE CAN-- THAT
4 THIS IS THE YEAR WE CAN PERCEPTIVELY TURN THAT ISSUE AROUND.
5 AND I LOOK FORWARD TO WORKING WITH MRS. BURKE AND ALL THE
6 OTHER MEMBERS TO GET TO THAT POINT SOONER RATHER THAN LATER.
7 THANK YOU, MADAM CHAIR, AGAIN FOR YOUR LEADERSHIP.

8

9 **SUP. BURKE:** MADAM CHAIR, I ALSO WANT TO COMMEND THE BOARD AND
10 PARTICULARLY MR. JANSSEN. I WENT TO THE RATING AGENCIES, I
11 THINK IT WAS TWO YEARS AGO, AND I VISITED ALL OF THEM. WE DID
12 NOT GET TREMENDOUS ENTHUSIASM. OF COURSE, WE WERE, OF COURSE,
13 AT A DISADVANTAGE BECAUSE OF THE STATE SITUATION AND THEY WERE
14 VERY CLEAR THAT THEY COULDN'T REALLY EVALUATE US PARTICULARLY
15 BASED UPON WHAT THE STATE SITUATION WAS BUT THEY CERTAINLY
16 WERE LOOKING AT US VERY CLOSELY AND, AS YOU KNOW, THEY WERE
17 CONSIDERING A NUMBER OF ALTERNATIVES IN TERMS OF OUR BOND
18 RATINGS. BUT IT'S GOOD NEWS THAT OUR BOND RATINGS HAVE BEEN
19 STABILIZED, THEY'RE GOING UP AND THIS IS STILL WITH A VERY
20 PRECARIOUS SITUATION IN THE STATE. SO THAT WE HAVE BEEN VERY
21 FORTUNATE AND WE HAVE MADE SOME IMPORTANT DECISIONS. WE
22 PROBABLY STILL HAVE SOME TOUGH DECISIONS AHEAD OF US. I KNOW
23 WITH THE HEALTH DEPARTMENT AND THE POTENTIAL DEFICIT, IT'S
24 GOING TO BE SO DEPENDENT UPON THE DETERMINATION OF THE STATE
25 AND HOW THEY DEFINE HOW THE FUNDS WILL COME TO LOS ANGELES



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1 COUNTY BUT I DO THINK THAT THERE HAVE BEEN SOME VERY IMPORTANT
2 DECISIONS AND ALSO A LOT OF TIME SPENT IN TRYING TO MAKE SURE
3 THAT OUR BOND RATINGS WERE SUCH THAT WE CAN REALLY HOLD OUR
4 HEAD UP AND I WANT TO THANK EVERYONE INVOLVED WHO WAS IN THAT,
5 THE AUDITOR, TREASURER AND COUNTY COUNSEL WAS THERE, TOO. I
6 KNOW YOU WERE THERE AT THOSE MEETINGS AND I SUSPECT SOME OF
7 THE OTHER MEMBERS OF THE BOARD HAVE GONE BACK TO VISIT ALL OF
8 THE RATING AGENCIES AND I THINK IT MAKES A DIFFERENCE BECAUSE
9 THEY SEE THAT WE'RE REALLY SERIOUS AND THEY PASS ON TO US SOME
10 OF THE THINGS THAT THEY THINK SHOULD HAPPEN AND THEY WATCH US
11 VERY, VERY CLOSELY. YOU CAN BE SURE EVERYTHING THAT HAPPENED
12 TODAY IS BEFORE THEM BY NOW AND DOES INFLUENCE HOW THEY FEEL
13 ABOUT US AND WE'RE DOING, I THINK, REALLY GREAT.

14

15 **SUP. MOLINA, CHAIR:** VERY GOOD.

16

17 **SUP. KNABE:** MADAM CHAIR, I JUST WOULD ADD AN UPDATE FROM WHERE
18 SHE WAS THERE TWO YEARS AGO, A YEAR AGO WHEN I WAS BACK THERE
19 WITH DAVID. AND, YOU KNOW, THE KNOWLEDGE THAT THE VARIOUS
20 RATING AGENCIES HAD ABOUT OUR COUNTY AND WHAT WE DO AND DON'T
21 DO BUT AT LEAST THE POSITIVE RESPONSE THAT WE RECEIVED BASED
22 ON OUR ACTIONS AGAIN OVER THAT LAST YEAR AS IT RELATED TO THE
23 ISSUES WITH THE STATE TO PUT OURSELVES IN A POSITION SHOULD
24 THINGS GO SOUTH. BUT, AGAIN, AS MY COLLEAGUES HAVE STATED, I
25 MEAN, I THINK THIS BUDGET IS A REFLECTION OF SOME VERY



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1 DIFFICULT DECISIONS THAT HAVE BEEN MADE OVER THE LAST SEVERAL
2 YEARS AND THERE ARE PROBABLY THOSE TODAY THAT WOULD LIKE US TO
3 SPEND EVEN MORE THAN WHAT WE'RE DOING. BUT, AGAIN, THIS BUDGET
4 REFLECTS SOME POSITIVE IMPACTS AS IT RELATES TO REFUNDING OF
5 SOME INFRASTRUCTURE ISSUES, PUBLIC SAFETY AND A NUMBER OF
6 OTHER THINGS. BUT I ALSO THINK, IN ADDITION TO OUR EMPLOYEES
7 AND EMPLOYEE UNIONS AND THEIR SPIRIT OF COOPERATION, EVEN
8 THOUGH WE MAY DISAGREE FROM TIME TO TIME, I THINK THE OTHER
9 PERSONS AND PEOPLE THAT WE NEED TO THANK ARE THE VOTERS,
10 BECAUSE PROPOSITION 1-A CLEARLY SET THIS BUDGET IN PLACE AND
11 CERTAINLY REFLECTS, YOU KNOW, OUR ABILITY TO BUDGET WITHIN OUR
12 KNOWN MEANS. SO WE ALSO OWE THE VOTERS A BIG THANK YOU FOR
13 PROPOSITION 1-A. AND, ALTHOUGH THERE ARE SOME DIFFICULT
14 DECISIONS AHEAD, WE'LL SEE WHAT HAPPENS AT THE STATE BECAUSE,
15 EVEN WITH THE PROTECTIONS OF 1-A, I'M SURE THEY'RE LOOKING AT
16 OTHER POTS OF MONEY THAT THEY CAN TAKE, SO WE HAVE TO BE EVER
17 VIGILANT AS WE MOVE FORWARD. BUT I THINK THIS IS A VERY
18 POSITIVE BUDGET, NOT WHAT EVERYONE WANTS BUT, AGAIN, A GOOD,
19 AUSTERE REFLECTIVE BUDGET OF PRIORITIES SET BY THIS BOARD AND
20 BY OUR CONSTITUENTS. THANK YOU.

21

22 **SUP. MOLINA, CHAIR:** VERY GOOD.

23

24 **SUP. YAROSLAVSKY:** AND WHILE WE'RE THANKING THE VOTERS, LET'S
25 THANK THEM FOR MEASURE B BACK IN 2002, WHICH IS PROBABLY A



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1 BIGGER REASON THAN ALL THE OTHER RHETORIC FOR WHY WE'RE IN A
2 POSITION, AT LEAST WITH THE HEALTH DEPARTMENT, SO THAT WAS A
3 HUGE VOTE OF CONFIDENCE BY THE PEOPLE AND WE ARE ALWAYS
4 GRATEFUL TO THEM BECAUSE WE KNOW WHAT IT'S MEANT TO THE
5 DELIVERY OF EMERGENCY MEDICAL SERVICES IN THIS COUNTY.

6

7 **SUP. MOLINA, CHAIR:** VERY GOOD. ALL RIGHT. THE ITEM IS BEFORE
8 US. IT'S BEEN MOVED BY SUPERVISOR ANTONOVICH, SECONDED BY
9 SUPERVISOR KNABE. IT IS OUR BUDGET FOR THE COMING YEAR. DO WE
10 HAVE UNANIMOUS SUPPORT? WE DO. SO IF THERE'S NO OBJECTION,
11 DAVID, I THINK YOU'VE RECEIVED YOUR FIRST UNANIMOUS BUDGET.
12 CONGRATULATIONS. IT'S WELL DESERVED.

13

14 **C.A.O. JANSSEN:** THANK YOU.

15

16 **SUP. MOLINA, CHAIR:** THANK YOU, EVERYONE. WE NOW HAVE ONE
17 INDIVIDUAL WHO WOULD LIKE TO SPEAK TO US ON PUBLIC COMMENT, IF
18 THEY'D JOIN US. TYRONE ROY. DID MR. ROY LEAVE?

19

20 **SUP. YAROSLAVSKY:** GO GET HIM.

21

22 **SUP. MOLINA, CHAIR:** ALL RIGHT. WELL, IS THERE ANY OTHER ITEM
23 THAT WE NEED TO BRING UP? IF NOT, WE STAND ADJOURNED. THANK
24 YOU SO MUCH.

25



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1 **SUP. KNABE:** THANK YOU, MADAM CHAIR. GOOD JOB!

2

3

4

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REPORTER'S CERTIFICATE

I, JENNIFER A. HINES, Certified Shorthand Reporter
Number 6029/RPR/CRR qualified in and for the State of
California, do hereby certify:

That the transcripts of proceedings recorded by the
Los Angeles County Board of Supervisors June 20, 2005
were thereafter transcribed into typewriting under my
direction and supervision;

That the transcript of recorded proceedings as
archived in the office of the reporter and which
have been provided to the Los Angeles County Board of
Supervisors as certified by me.

I further certify that I am neither counsel for, nor
related to any party to the said action; nor
in anywise interested in the outcome thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this
23rd day of June 2005, for the County records to be used only
for authentication purposes of duly certified transcripts
as on file of the office of the reporter.

JENNIFER A. HINES

CSR No. 6029/RPR/CRR